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Japan

GATT Progress Depends on EC 'Political Sense'

OW1011043892 Tokyo KYODO in English 0325 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—International Trade and Industry Minister Kozo Watanabe expressed Tuesday his view that progress on the long-stalled Uruguay Round of multilateral talks depends on the political judgment of the European Community (EC).

Watanabe said at a press conference, "It depends on (the) EC's political sense" about whether to resolve its farm dispute with the United States under the administration of U.S. President George Bush or to have new talks with the President-elect Bill Clinton's administration.

The Uruguay Round talks under the General Agreement on Tariffs and Trade (GATT) are deadlocked by a dispute between the U.S. and the EC over oilseed subsidies.

Watanabe pointed out that there would be no country which can benefit by delaying the round talks.

The Japanese trade minister said that if he were in the shoes of the EC leaders, he would make a political decision under the Bush administration.

Watanabe also said he hopes the EC will continue negotiations with the U.S. on farm issues without resorting to retaliatory countermeasures.

U.S. Business Executives Attend ODA Conference

OW1011060492 Tokyo KYODO in English 0454 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—A three-day conference opened in Tokyo Tuesday on ways of increasing participation of U.S. companies in projects financed by Japan's Official Development Assistance (ODA).

A total of 103 business executives from 74 U.S. companies, including General Electric Co. and Motorola Inc., were present under an agreement reached at the Japan-U.S. summit held in January.

U.S. Ambassador Michael Armacost, in an opening speech, expressed hope that the conference will benefit both Japan and the United States.

The U.S. executives heard explanations on procedures for participation in ODA-financed projects from officials of the Japan International Cooperation Agency and the Ministry of International Trade and Industry.

On the second day Wednesday, there will be lectures by Japanese officials, followed by a question-and-answer session, conference organizers said.

On the final day Thursday, business talks will be held by participating U.S. companies and Japanese trading firms.

Firm Strikes Tax Deal With Tokyo, Washington

OW1011034792 Tokyo KYODO in English 0217 GMT 10 Nov 92

[Text] Osaka, Nov. 10 KYODO—Japanese and U.S. tax authorities have agreed to apply a new taxation formula to Matsushita Electric Industrial Co., allowing it to avoid possible additional tax payments by its U.S. subsidiary, sources at Matsushita said Tuesday.

The agreement, which came after more than two years of consultations, could eliminate Japanese-U.S. tax disputes if applied to Japanese companies targeted by the U.S. Internal Revenue Service for alleged tax evasion.

Matsushita is the first Japanese company to come under the so-called "advanced pricing agreement," which is designed to prevent tax evasion through transfer pricing and to avoid double taxation, the sources said.

Transfer pricing refers to the practice in which foreign companies reduce income subject to U.S. tax by artificially inflating the price of goods bought from their parent firms.

The agreement requires Matsushita to provide information to the IRS to help it determine the "appropriate prices" of goods and parts imported by Matsushita's U.S. subsidiary, Matsushita Electric Corp. of America.

In exchange, the Japanese consumer electronics giant can avoid being assessed for additional tax payments if its export prices fall in the "appropriate price" range.

All products imported by the U.S. subsidiary in fiscal 1991 and 1992 are subject to the accord, the sources said.

The agreement comes at a time when there is a surge in tax disputes involving Japanese companies operating in the United States and U.S. lawmakers are raining fire on alleged tax-dodging foreign corporations.

Matsushita's U.S. subsidiary agreed in autumn last year to pay some 2.7 million dollars in additional taxes for allegedly avoiding taxes by reporting inflated prices of videocassette recorders imported from the parent firm.

The IRS said in a report released last April that foreign-controlled companies in the United States report less than half as much income as comparable U.S. corporations. The report quoted a 1991 study that concluded that about half the differential was caused by legitimate distinctions between U.S.-owned and foreign-owned companies.

Some U.S. legislators, however, have claimed that 70 percent of such companies pay no U.S. income tax and some appear to be dodging some 30 billion dollars or more in taxes every year.

Several Firms To Accept U.S. Taxation System

OW1011141392 Tokyo KYODO in English 1200 GMT 10 Nov 92

[Text] Tokyo, nov. 10 KYODO—More Japanese companies will join Matsushita Electric Industrial Co. in accepting a new U.S. taxation system to ease the tax burden on their subsidiaries in the United States, industry sources said Tuesday.

Matsushita, the world's largest consumer electronics maker, has agreed with U.S. tax authorities to apply for the system, known as the advanced pricing agreement, designed to prevent tax evasion through transfer pricing and to avoid double taxation, said sources close to the Osaka-based company.

The sources said Matsushita was the first Japanese corporation to apply for the system.

Transfer pricing is the practice in which foreign companies reduce income subject to U.S. tax by artificially inflating the price of goods purchased from their parent companies.

Another major Japanese electronics company, Hitachi Ltd., was also reported Tuesday to be negotiating with U.S. tax officials to apply for the tax scheme.

The talks focus on whether transfer pricing and the profit margins are appropriate, and it is a matter of time before the company starts using the advanced pricing agreement, Hitachi sources said.

Nissan Motor Co., the major Japanese automaker, is studying the scheme in earnest, including procedures to apply for it.

More than 100 Japanese companies operating in the United States appear to have been ordered by the U.S. Internal Revenue Service to pay additional taxes, according to financial sources.

They said Japanese export-oriented corporations are expected to follow Matsushita in accepting the new system to avoid additional tax payments.

Guidelines on Arms Use by SDF Cambodia Troops

OW1011102792 Tokyo KYODO in English 0948 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—Japanese engineering troops in Cambodia can fire their weapons on their own if they face an imminent threat to their lives during their UN peacekeeping operations, according to Defense Agency guidelines revealed Tuesday.

The six-point guidelines, drafted by the Defense Agency, say the 600 Ground Self-Defense Force (SDF) troops can fire under their own capacity if their lives face imminent danger or if there is a threat that their equipment will be damaged by the firing of other groups.

Vice Defense Minister Akira Hiyoshi delivered the guidelines to the SDF engineering forces through a Defense Agency official, Defense Agency sources said.

There are great gaps between guidelines on the use of weapons between the Japanese Defense Agency and the United Nations Transitional Authority in Cambodia (UNTAC).

UNTAC said in its guidelines that UN peacekeeping forces in Cambodia can fire under the control of their commanders if their lives face imminent danger.

The Defense Agency's guidelines said the use of the weapons is restricted to the minimum such as when SDF peacekeepers have no other alternative means to defend themselves or others accompanying them.

In addition, the SDF troops must not inflict damage on others except in emergency evacuations and self-defense, the guidelines said.

The guidelines said the engineering troops should only fire at the feet and other parts of an attacker's body where a wound would not be fatal, after giving a warning, then firing warning shots in the air and firing near the attacker's feet.

In Cambodia, SDF troops reportedly have been puzzled by the guidelines, saying they are "a plan on a desk" and virtually ban firing in most cases.

An exchange of gunfire broke out November 1 near a national highway southwest of Phnom Penh as Japanese peacekeepers were passing in two vehicles.

The 600-member SDF engineering corps began repairing National Highway No. 3 near Takeo on October 28 as their first task for the UN peacekeeping mission in the country.

Goods Transport Offered Philippine Peacekeepers

OW1011061592 Tokyo KYODO in English 0539 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—Japan expressed readiness Tuesday to help the Philippines transport supplies to its peacekeepers stationing in Cambodia.

A Japanese Government source said Japan will be able to help the Philippines if the current implementation plan to dispatch Japan's Self-Defense Forces SDF) to Cambodia is revised.

Under the plan, some 600 Japanese peacekeepers are taking part in peacekeeping activities in the war-devasted country under the supervision of the United Nations Transitional Authorities in Cambodia (UNTAC).

The source, however, stressed that a request from the UNTAC is a precondition for Japan's extending help to the Philippines peacekeepers.

Manila has reportedly asked Tokyo to use SDF transport planes to carry supplies to its troops in Cambodia.

Corporation To Help Firms Joining PRC Project

OW1011102692 Tokyo KYODO in English 0922 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—The state-run Japan National Oil Corp. (JNOC) plans to provide loans to Japanese firms to join a tender for China's oil field development project in the East China Sea, sources close to the organization said Tuesday.

The sources said the JNOC has been careful of involvement in the Chinese project because of territorial concerns.

The area planned to be developed was initially reported to be encroaching on the Senkaku Islands, over which Japan and China both claim sovereignty.

With recent confirmation from China that the oil field will be outside the disputed waters, the JNOC decided it can offer public loans to Japanese companies taking part in the tender, the sources said.

According to the sources, China reported that 30 foreign companies, including six Japanese firms, have shown interest in participating.

The projected oil field is about 72,800 square kilometers, running between waters off Shanghai and Wenzhou, Zhejiang Province.

China in June called for an international public tender that will be closed at the end of June next year.

The JNOC's decision is likely to encourage Japanese companies to participate, the sources said.

Continuing Aid Pledged for Mongolian Reforms

OW1011075892 Tokyo KYODO in English 0711 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—Foreign Minister Michio Watanabe promised Tuesday Japan would continue to extend aid to Mongolia in support of that country's reform efforts, Foreign Ministry officials said.

The officials said Watanabe made the pledge in a meeting with Chultemiyn Ulaan, director general of Mongolia's National Development Agency and a state minister in charge of economic planning.

Ulaan arrived in Japan on Monday for an 11-day visit at the invitation of the Foreign Ministry to learn about how Japan goes about extending its Official Development Assistance (ODA).

He is scheduled to meet on Wednesday with Economic Planning Agency Director General Takeshi Noda and on Thursday with Minister of International Trade and Industry Kozo Watanabe.

Japan extended some 8.3 billion yen in ODA to Mongolia in fiscal 1991, up from only 500 million yen in fiscal 1990.

The officials said Mongolia is likely to receive an increase in fiscal 1992, which began in April.

Miyazawa, Watanuki Agree To Abandon Libel Suit

OW1011074792 Tokyo KYODO in English 0652 GMT 10 Nov 92

[Text] Tokyo, No. 10 KYODO—Prime Minister Kiichi Miyazwa and a top official of the ruling Liberal Democratic Party (LDP) agreed Tuesday to abandon a controversial plan for the LDP to file a libel complaint against two prosecutors, party officials said.

The agreement to drop the proposed libel suit against the prosecutors over depositions they had presented in court naming LDP members in connection with the Tokyo Sagawa Kyubin scandal came in a meeting between Miyazawa and Tamisuke Watanuki, secretary general of the ruling party.

Earlier in the day, Watanuki told a meeting of LDP executives that legal consultants advised it would be difficult for the party to file a single lawsuit because allegations against the seven politicians mentioned in the depositions were different, and the party would be unlikely to win the suit.

The proposed legal action was criticized by Makoto Tanabe, chairman of the opposition Social Democratic Party, who said Monday that the plan to accuse prosecutors violates the principle of the separation of the administrative, legislative, and judicial branches of government.

Watanuki told reporters, however, that the ruling party will provide full backing for LDP politicians who wish to file individual complaints over allegations read out in court by the prosecutors.

The depositions said the politicians tried, directly or indirectly, to persuade a rightist group that was harassing Noboru Takeshita in 1987 when he was in the middle of a successful campaign to become LDP president and prime minister.

The prosecution read out at a Tokyo district court hearing last Thursday a deposition taken from Ryumin Oshima, leader of the Nihon Kominto rightist group.

Oshima's deposition named Shin Kanemaru, Yoshiro Mori, Seiroku Kajiyama, Keizo Obuchi, Koichi Hamada, Masaru Urata, and Hirohide Uozumi as having contacted the Nihon Kominto.

It said that Kanemaru's proxy and Mori, the incumbent chairman of the LDP policy affairs research council, each tried to offer several billion yen to the group to stop its harassment campaign.

Hamada, Uozumi, and Urata have admitted contacting the rightist group, but Kanemaru, Mori, Obuchi, and Kajiyama have denied the allegations.

A separate deposition taken from Tokyo Sagawa Kyubin's former president Hiroyasu Watanabe said Transport Minister Keiwa Okuda was also involved.

Watanuki aired the idea of filing the libel suit Friday after Miyazawa, who also serves as LDP president, called for the party to find a forum for the implicated politicians to clear their names.

Mori told reporters that he will file an individual libel complaint against prosecutors. He said his honor has been stained and that it is important to settle the case in the right course.

LDP Hints at Summoning Witnesses To Testify

OW1011132692 Tokyo KYODO in English 1120 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—In a bid to resume stalled Diet business, the ruling party indicated Tuesday it may accept an opposition demand to summon to the Diet politicians implicated in the Tokyo Sagawa Kyubin money scandal, parliamentary sources said.

The Liberal Democratic Party (LDP) said in separate meetings with budget committee directors of opposition parties that "as the ruling party," it "must consider summoning of sworn witnesses or unsworn witnesses," according to the sources.

The LDP, however, said it wants to separately consider the number of witnesses and who they will be.

The ruling party also dropped its earlier claim the scandal should initially be handled by the House of Representatives Political Ethics Council before summoning people to the Diet as sworn witnesses.

The council, established in 1985 along with one in the House of Councillors, provides an opportunity for Diet members against whom allegations have been made to explain themselves.

If the council finds a member at fault politically or ethically, it can exclude that person from parliament for a certain period.

Sworn witnesses are liable to perjury charges if they give false testimony, whereas unsworn witnesses cannot be held criminally liable for false statements.

The Social Democratic Party (SDP), Komeito and the Democratic Socialist Party (DSP) said the ruling party's latest proposals were "one step forward" and it has "come to the entrance for negotiations."

The ruling and opposition camps also agreed to hold intensive deliberations on the scandal, the sources said.

The Diet opened a 40-day extraordinary session October 30 to discuss the supplementary budget.

But the opposition has refused to deliberate on the extra budget in the Budget Committee of the House of Representatives unless former Prime Minister Noboru Takeshita and fallen kingpin Shin Kanemaru appear as sworn witnesses in the Diet.

The SDP, Komeito and DSP have jointly submitted a list of 10 people they want to testify as sworn witnesses in the Diet, including Takeshita and Kanemaru.

The Japanese Communist Party has demanded seven additional people testify.

In Tuesday's meetings, the LDP showed reluctance in summoning Kanemaru and Hiroyasu Watanabe, former president of the now-defunct trucking firm Tokyo Sagawa Kyubin, and said the opposition list includes those on trial or facing charges.

Kanemaru resigned from the lower house last month after he received a summary indictment for accepting a 500 million yen illicit donation from Watanabe.

The prosecution has resumed its investigation into the flow of the money and questioned Kanemaru on Saturday. An aide to Kanemaru has told prosecutors he distributed the money to some 60 members of the LDP's largest faction, led at the time by Kanemaru.

The boss of rightist group Nihon Kominto told prosecutors a proxy of Kanemaru's attempted to offer 3 billion yen to silence its harassment campaign against Takeshita in 1987 when he was vying for the LDP presidency and premiership.

Kanemaru categorically denied the allegations.

Meanwhile, the head of the LDP's political reform panel urged Kanemaru and Takeshita to show up before the Diet as sworn witnesses to testify on their role in the Tokyo Sagawa Kyubin scandal.

Shigeru Kasuya, in an interview with KYODO NEWS SERVICE, said both Kanemaru and Takeshita "ought to respond to the opposition call to help promote a thorough probe" into the scandal. Takeshita is reportedly ready to testify in the Diet, he said.

Asked for comment on the scandal, Kasuya said there is no room for the governing party to make excuses.

The LDP has provoked an unusual wave of anger among voters and needs to address the matter seriously, he said.

Kasuya nevertheless urged opposition parties to agree to open deliberations on a supplementary budget for fiscal 1992 in the House of Representatives budget committee.

The supplementary budget, which embodies a large part of the government's announced 10.7 trillion yen pump-priming package, calls for the spending of an additional

2.99 trillion yen on public works projects and investment under the government's fiscal investment and loan programs.

Miyazawa Vows Efforts To Stop Factions' Damage

OW1011100092 Tokyo KYODO in English 0956 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—Prime Minister Kiichi Miyazawa on Tuesday vowed efforts to eliminate damage caused by factional politics within the ruling Liberal Democratic Party (LDP).

Miyazawa expressed his resolve to carry out political reform in meetings held at the LDP headquarters.

"If factional activity causes damage to the impartial operation of the whole party and the smooth execution of state affairs, it should be changed," the prime minister said.

"Politics should not be pursued according to the interests of one party or one faction," Miyazawa said. He added that he has instructed the LDP's party reform panel to discuss measures to eliminate the damage caused by factional politics.

His remarks came amid soaring public distrust of politics following a major money scandal involving Tokyo Sagawa Kyubin Co.

Miyazawa said he would also like to devote energy to establishing political ethics and carrying out a drastic reform of the political system.

The ruling party is currently considering measures such as dissolving factions or setting limits on their scale as well as the framework for distributing cabinet posts, LDP sources said.

Tokyo 'Mass Rally' Calls for Political Reform

OW1011103092 Tokyo KYODO in English 1012 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—A mass rally calling for political reform was held in Tokyo on Tuesday amid a widening scandal involving politicians and crime syndicates.

The private Ad Hoc Council on Political Reform sponsored the public gathering held inside Hibiya Park and presented a declaration calling for the abolishment of the nation's medium-size constituency system in order to carry out drastic reforms in the political and administrative systems.

The nongovernmental group comprises business, labor and media leaders.

So far, some 188 parliamentarians from both chambers of the Diet have signed the declaration, according to the group chaired by Masao Kamei, an adviser to the Japan Federation of Employers Associations (Nikkeiren).

Akira Yamagishi, leader of the Japanese Trade Union Confederation (Rengo), and some Diet members were among those who attended the gathering urging political reform.

The private group also made public its proposals for enacting an anticorruption law for Diet reform and setting up a watchdog body on fund-raising activities to help prevent the recurrence of money-related political scandals.

The group compiled the proposals following growing public distrust in politicians in the wake of the Tokyo Sagawa Kyubin scandal which led to the downfall of Liberal Democratic Party kingmaker Shin Kanemaru.

The group said the declaration aims to give momentum to discussions on political reform, which is currently in a deadlock due to differing stances among the political parties.

The statement said Japan will not be able to carry out drastic reforms in the political and administrative systems as long as it maintains the current medium-constituency system which "has ended its historical mission."

The statement calls for solidarity among political parties, saying "now is the time to create a great swell" to change Japanese politics.

The statement said public distrust in government is at a peak now with the eruption of a series of money scandals involving politicians and warned that the nation's parliamentary democratic system is in danger of collapse.

Women Rally To Demand Takeshita's Resignation

OW1011044392 Tokyo KYODO in English 0408 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—A group of women protested outside the Tokyo residence of former Prime Minister Noboru Takeshita on Tuesday demanding he resign over allegations of links between his administration and right-wing groups and gangsters.

The group of about 80 women included Tomiko Okazaki, director of the Social Democratic Party (SDP) Women's Bureau, eight other SDP members, 24 women who chartered a bus from Takeshita's constituency in Shimane Prefecture, and other women from the Tokyo area.

Police prevented the women from approaching within some 100 meters of the Takeshita home when they arrived at 10:30 A.M.

The women negotiated with the police who then allowed eight of the group, including Okazaki, to approach the entrance to the home where they requested a meeting with Takeshita.

After their request went unanswered, the women placed letters demanding Takeshita resign from the Diet in his mailbox.

The SDP and other opposition parties are calling on Takeshita and former Liberal Democratic Party Vice President Shin Kanemaru to testify in the Diet over their alleged involvement in the alleged Sagawa Kyubin money and mobster scandal.

The public prosecutors investigating the case last week made public a deposition in which the leader of the right-wing group Nihon Kominto said Kanemaru and other LDP members offered him money in an attempt to put an end to the group's harassment of Takeshita in 1987.

Posts Ministry, Banks at Odds Over Tax Reform

OW0911131092 Tokyo KYODO in English 1049 GMT 9 Nov 92

[Text] Tokyo, Nov. 9 KYODO—The Posts and Telecommunications Ministry and the banking sector are at odds over a proposal to expand tax incentives on savings accounts for the elderly, handicapped, and other disadvantaged groups, sources said Monday. The sources said the banking industry has become less supportive of the ministry's idea to raise the upper limit on deposits and savings that are subject to the so-called "maruyu" preferred savings system.

The ministry proposed boosting the ceiling on tax-free savings accounts to 7 million yen from the current 3 million yen as part of tax reform measures for next fiscal year. The proposal, however, has met opposition from the Finance Ministry and the ruling Liberal Democratic Party, which argue the scheme would "benefit the rich."

While basically backing the proposed reform, banks are far from active in pursuing its introduction. One industry official said the banking sector seeks to realize other matters for next year's tax reforms over the ministry's proposal.

The sources said the banking industry's reticence on the matter reflects their indebtedness to efforts of the Ministry of Finance (MOF) to ease the industry's bulging bad loans. Indeed, a banking official said, "We are deeply indebted to the MOF, which has accepted our requests concerning the (bad loans) issue."

The MOF has allowed banks to write off, tax free, delinquent loans accumulated after the collapse of the speculative "bubble" economy that left the real estate market in a free fall and property held as collateral by banks dramatically deflated.

The Posts Ministry complains that banks are too preoccupied with their own problems to consider the interests of consumers. A ministry official said, "banks are active in pursuing their own problems, but are quiet on tax reforms aimed at benefiting" holders of savings and deposit accounts.

Bank of Tokyo Decides To 'Tighten' Management

OW0911120492 Tokyo KYODO in English 0939 GMT 9 Nov 92

[Text] Tokyo, Nov. 9 KYODO—The Bank of Tokyo said Monday it will tighten risk management to reduce losses caused by bad loans.

The major Japanese commercial bank said the decision was made in the course of a comprehensive study on its operations by a special in-house panel formed in August.

The group has come up with a five-point proposal, including tighter controls on risks involving lending and structural reorganization of branches and overseas subsidiaries, the company said.

Company officials said all loans will be classified according to the degree of risks in order to keep the ratio of high-risk lending to the total from rising.

Most commercial banks and other financial institutions have implemented various measures to ease the burden caused by bad loans left in the wake of the bubble economy.

The Bank of Tokyo was one of the first commercial banks to enforce cost-cutting measures, including personnel reduction.

Banks To Launch Panel To Liquidate Bad Loans

OW1011080392 Tokyo KYODO in English 0748 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—Thirteen commercial banks will launch a panel Wednesday to discuss plans for creating a corporation aimed at liquidating nonperforming loans with properties held as collateral, Tsuneo Wakai, head of the Federation of Bankers Associations of Japan, said Tuesday.

Wakai told a press conference that he hoped the corporation will be established in January, before the settlement of accounts in March for fiscal 1992. But he said that negotiations still are underway to choose the president of the company.

The panel will be comprised of 13 board executives from 13 commercial banks, he said, and a working group will be established beneath the panel.

Apart from the panel, another committee will be set up in the first week of December to deal with specific issues in connection with the establishment of the new corporation.

Wakai is also the president of Mitsubishi Bank, which took the initiative in organizing the scheme to create the corporation. Mitsubishi announced a blueprint for the program October 30.

According to the Finance Ministry, loans on which interest payments have been delayed more the six months at the 21 domestic commercial banks amounted to 12.3 trillion yen in September.

Of the 12.3 trillion yen, about 4 trillion yen was without appropriate collateral. The total figure was more than 50 percent higher than the ministry's findings in March.

Wakai said the increase in nonperforming loans is understandable, considering that the bursting of the speculative bubble began to show its effects substantially this year.

He said the issue of how to deal with the problem must be considered in connection with the scheduled disclosure of information about nonperforming loans carried by financial institutions, which is expected to begin next March.

The issue is currently being studied by an advisory panel to the finance minister and Wakai said the industry will see what it can do after the panel comes up with a proposal, hopefully this year.

Turning to a possible reduction of short-term prime lending rates, Wakai said money rates have come down since the last prime rate cut, but brushed aside speculation of another cut immediately.

"Basically, interest rates have declined compared with July levels and the nation's economy is still not healthy," he said. He added that rates seem to bounce back occasionally, and the Bank of Japan's stance is not yet clear. "We must monitor the market a little more," he said.

Meanwhile, Wakai reiterated his stance calling for reform of Japan's postal savings, namely its fixed amount deposits.

The instrument is attractive for consumers since the interest rate for the deposit is fixed for 10 years, but depositors can begin retrieving their fund after a deferment period of six months.

The commercial banking industry has been criticizing the instrument, saying the cost will be too high for the private sector to introduce similar services, even if it intended to do so.

Wakai said commercial banks would not hesitate to provide better service to depositors, but the private sector, unlike the state-run postal savings, carries handicaps, such as requirements on deposit insurance and building up of reserves.

He warned consumers the postal savings may superficially seem to be beneficial, but there is a possibility consumers are paying for the costs through taxes.

Major Firms Evade Taxes on 'Record' Amount

OW0911120092 Tokyo KYODO in English 1018 GMT 9 Nov 92

[Text] Tokyo, nov. 9 KYODO—Japan's major business corporations failed to declare a record 728.7 billion yen during the last tax year up to June, the national Tax Administration Agency said Monday.

The figure was a drastic increase of 185 billion yen or 34.0 percent from the previous record of 543.6 billion yen a year before.

Tax investigators surveyed 4,722 firms which filed dubious financial reports for corporate taxation. In all, 34,369 corporations with a capital of 100 million yen or more filed financial reports during July 1991 and June 1992.

The investigators discovered undeclared income from 4,584 firms, or 97.0 percent of all firms investigated.

The average amount of undeclared income also set an all-time high at some 159 million yen.

Tax investigators discovered 50.3 percent of all general contractors surveyed had filed dishonest reports, making construction the worst business sector for the third year in a row in terms of percentage, followed by equipment engineering firms, financial institutions and trading houses.

The bursting of the economic "bubble," triggered mainly by speculative land and stock deals, has hit corporate revenues badly, contributing to increasing tax evasion, officials said.

Incomes declared by all the 34,369 companies totaled 30,694 billion yen, down 6.6 percent, representing a year-on-year decline for the second consecutive year, it said. It is the first time that corporate incomes have dropped for two years running since 1974 and 1975, they said.

The tax agency said that corporate taxes imposed on the firms' incomes totaled 9,499.4 billion yen, down 12.0 percent from a year before.

Miyazawa Optimistic on Economic Upturn 'Soon'

OW1011063992 Tokyo KYODO in English 0625 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—Prime Minister Kiichi Miyazawa expressed optimism Tuesday about Japan making an economic recovery, predicting the economy will bottom out soon.

"Inventory adjustment is progressing and it won't be a long time before the economy will bottom out," Miyazawa told a national meeting of ruling Liberal Democratic Party policy makers at the LDP headquarters.

The prime minister indicated the government is looking forward to seeing the effects of its comprehensive pump-priming package on the economy.

A supplementary budget compiled by the government to stimulate the economy also is up for approval in the Diet.

Miyazawa challenged claims that demand for capital has weakened, saying lending by government-funded financial institutions is growing.

He criticized private financing institutions for failing to take adequate measures to meet growing demand for capital.

Hata Claims Decline of Yen Not Very Sharp

OW1011021892 Tokyo KYODO in English 0129 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—Finance Minister Tsutomu Hata said Tuesday that the current decline of the yen against the U.S. dollar is "not very sharp."

Hata told a press conference following a regular cabinet meeting that the currency market should reflect the fundamentals of each country's economy.

While saying the yen's decline is not so dramatic, Hata added that Japan will make contact with other industrial countries for policy coordination if necessary.

The dollar's strength is due to expectations in the market about U.S. President-elect Bill Clinton's economic stimulus policy, anticipation of lower German interest rates, and concern about the fate of Japan's supplementary budget, the finance minister said.

Hata reiterated the importance of early Diet approval of the supplementary budget for boosting the economy. He expressed concern about the possibility of a delay in the Diet passing of the extra budget because of the political turmoil over the Sagawa Kyubin scandal.

The most pressing concern is "the sluggish economy," and once the budget passes the Diet, that will ease such concerns, he said.

Hata also said the Finance Ministry will loosen regulations on stock investments to prop up the wobbly stock market.

In order to attract more individual investors, the ministry will ease the ordinances to facilitate employees' ownership of stock in their companies and cumulative investment in stocks, he said.

Details of the regulatory changes will be announced by the ministry later in the day, Hata said.

Ministry Unveils Planned Stock Investment Rules

OW1011034592 Tokyo KYODO in English 0236 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—The Finance Ministry unveiled Tuesday the details of a proposed relaxation of the stock investment regulations to attract individual investors.

The ministry and the securities industry will ease the rules on employees' ownership of stock in their companies and on stock investments through installment plans, a ministry official said.

Both measures were proposed in the economic stimulus package announced late August.

Regarding stock ownership by employees, the current rules restricting changes in the amount of money invested and the timing of employees' joining such schemes will be removed.

Currently, any changes in the amount invested and the participation in the scheme can only be carried out two times a year at the most.

The restrictions concerning the purchase through such a scheme of the stock of a parent company will also be eased to permit the buying of the stocks of a parent company that is an over-the-counter market issue.

Employees' ownership of the stock of a parent company is currently permitted only if the parent company is listed on a stock exchange.

The ministry will also permit stock investment through an installment plan, under which investors can invest in stocks from a minimum payment of 10,000 yen. At present, stock investors must pay an amount that can buy the minimum unit of stock investment, which is 1,000 shares for most stocks.

Kato Says Government To Stress Economic Recovery

OW1011090892 Tokyo KYODO in English 0855 GMT 10 Nov 92

[Text] Tokyo, nov. 10 KYODO—The government renewed its determination Tuesday to seek the Diet's early passage of a supplementary budget, the core of its economic recovery plan.

Chief Cabinet Secretary Koichi Kato said economic recovery is one of the cabinet's priorities alongside political reform and clarification of the Tokyo Sagawa Kyubin scandal.

"It appears that interest in the recovery of the economy is waning, but we cannot close our eyes to the economic situation," Kato said at a regularly scheduled news conference.

The Diet has been stalled over disagreements on arrangements for politicians implicated in the Tokyo Sagawa Kyubin scandal to testify before the Diet.

Kato called for the early passage of a 71.48 trillion supplementary budget, noting that local assemblies will be approving public works projects in late November and early December.

The supplementary budget includes a 10.7 trillion yen pump-priming package, portions of which will be used to support projects approved by local governments.

MOF To Overhaul Public Works Subsidy System

OW1011132092 Tokyo KYODO in English 1054 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—The Ministry of Finance [MOF] plans to overhaul its system of subsidizing public works projects involving local governments, ministry sources said Tuesday.

The sources said the ministry will reduce the variation of its subsidies ratio for public works, which are now divided into more than 10 categories, into three—where two-thirds, half, or one-third of the total cost of the projects will be provided by the central government.

The ministry has already entered negotiations with the Home Affairs Ministry over the plan, which is designed partly to ease the squeeze on financing by the central government.

After consulting with other related ministries and government agencies, the MOF is likely to announce its final decision on the issue by the end of the month.

Public works projects, such as afforestation, flood control works, and road maintenance, are financed by both central and local governments, but the level of their contributions vary from project to project, complicating their management.

The ministry's move is in line with a recommendation made in December 1989 by a government council, which called for simplifying the ministry's subsidies system by the end of fiscal 1993, starting next April.

Faced with a severe fiscal condition amid the economic slump, the ministry now seeks to carry out the reform a year earlier than the recommended date.

The sources said the Home Affairs Ministry, which supervises local autonomy, will not readily accept the plan without new financial assistance or other help from the Finance Ministry for local governments to cover the shortfall in national subsidies.

Public Works Starts Register 4th Monthly Growth

OW1011103292 Tokyo KYODO in English 1020 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—Public works projects launched in September hit a record monthly high of 2,282.7 billion yen, up 41.5 percent from a year earlier, the Construction Ministry said Tuesday.

It was the fourth consecutive monthly rise, the ministry said.

The rise reflected the front-loading of the execution of public works projects, notably large construction projects such as dams and waste processing facilities, it said.

Construction starts by public corporations and government-run organizations amounted to 516.6 billion yen, up 74.9 percent from a year earlier, and those by regional governments and local public organizations reached 1,766.1 billion yen, up 34.0 percent, the ministry added.

Defense Agency Resists Plan To Cut Spending

OW0911132792 Tokyo KYODO in English 1250 GMT 9 Nov 92

[Text] Tokyo, Nov. 9 KYODO—The Defense Agency is resisting moves by the Ministry of Finance to slash military spending in fiscal 1993 against the background of post-cold war detente, government sources said Monday.

The Finance Ministry is seeking the first cut in defense expenditures in postwar history, contending any increase in military spending runs counter to global trends in the post-cold war era, the sources said.

The ministry is also worried about a growing tax revenue shortfall amid the economic slowdown, they said.

The Defense Agency, however, has put up strong resistance, claiming any cut in the defense budget will hurt its five-year defense build-up program begun in fiscal 1991.

Agency officials said the qualitative improvement in front-line equipment is vital despite the global military situation.

The agency has requested appropriations totaling 4,717.1 billion yen for the next fiscal year, up 3.6 percent over the current year but the lowest growth rate in 33 years.

The Finance Ministry will press the Defense Agency to carry out a substantial cut in expenditure totaling 22.75 trillion yen earmarked for the five-year defense program and slash procurement of front-line equipment, the sources said.

The ministry is also seeking reduction of defense personnel, the sources said.

They said the Defense Agency hopes to import Airborne Warning and Control Systems (AWACS) from the United States during the next fiscal year.

Official Views 1992 Economic White Paper

922A0358A Tokyo ECONOMY SOCIETY POLICY in Japanese Sep 92 pp 2-3

[Article by Seiichi Toshida, director of the Economic Planning Agency's Research Bureau: "Three Challenges for the Japanese Economy—The FY92 White Paper on Economics"]

[Text] The economic white paper season has arrived this year. As is the case each year, the day of the publication of white papers ends up falling on a hot summer day. However, since creation of a white paper takes more than six months, the memories of those participating in the creation of a white paper probably extend across various seasons. Discussion is first started about "what should we take up in this year's white paper?" at the first of January, when the feeling of the New Year is still fresh. Winter is a time when work enters a period of trial and error and the coming of spring is the period that requires definite results. However, in most cases it is even difficult to gaze at cherry blossoms in spring feeling relaxed. The holidays in May are spent setting about writing the draft, and the time of the blooming of the hydrangeas corresponds to the period of going from final finishing touches to the start of negotiations. The hot and humid rainy season contains days absorbed in negotiations with each ministry. The season that personally remains in my impressions most is the vacation season. It suddenly occurs to me in the No. 4 general government building, where there is no sign of people, that the azaleas are blooming brilliantly, but the work on the white paper is still full of problems and that makes for a vivid contrast.

Each year the fate of the economic white paper is different. Favorable or unfavorable reception can only be termed good or bad luck as there are many times when it may be received well or may be bathed in criticism in spite of the writers' intention. The economic situation at those different times has a great impact on the creation of the white papers, but in general it is received better and attracts more interest when Japan's economy is facing difficulties. Since solutions to those problems are not sufficiently presented elsewhere, there is ample merit in creating a white paper. When business conditions are good, of course, writing a white paper is easy, but it also seems easier to do after conditions have become bad than before they become bad. The reason is that probably there has never been a forecast that the Japanese economy would get better in due course that has been wrong.

In that sense, we are now in an economic condition in which there is sufficient benefit in the undertaking of an economic white paper. The current Japanese economy has three tasks. The first task is to come out of the economic adjustment process that began last year, and get the economy back on the track of stable growth centered on domestic expansion. This recent adjustment process is of a different nature than the first oil crisis in the 1970's, the second oil crisis in the 1980's, and the strong yen, whcih were caused by external factors. Consequently, we must start with explaining long periods of high growth economic cycles, etc. In terms of being an adjustment after the long-term expansion of continued high growth, which has exceeded 5 percent since 1987, it is viewed that there is a strong character of an independent stock adjustment in the economy.

The second task is the settlement that accompanies the collapse of the so-called "bubble" with its abnormally skyrocketing property prices. Amid long-term expansion backed by a super slackening of the money market, land and stock prices rose, but partway they began to skyrocket to an extent that cannot be reasonably explained, reaching such a state that they would eventually have to suddenly fall again. At the same time, the behavior of firms premised on the rise of property values spread during that time. Since land and stock prices dropped, we now have to pay the tab for these firms' behavior. There is a need to examine the influence that the settlement of the "bubble" had on the course of economic conditions. Further, the various financial scandals which occurred in the course of the collapse of the bubble require revision of and reflection on the behavior of firms and the system upon which their behavior is based.

The third task involves criticism from abroad about Japan's economic system. In domestic terms, there are doubts about whether Japan's economic system functions well enough for the improvement—especially the qualitative improvement—of the lives of the people; whether there is a balance between economic power and lifestyle; that the system was created from the standpoint of producers and does not adequately include the consumer. Viewed internationally, there are doubts as to whether Japan's economic system moves by the same market economy rules; whether distinctions are made between domestic and overseas competitors. In order to answer these questions and to promptly reconsider points which should be reconsidered and to clarify the what direction should be taken for improvement, it is essential to live in the midst of the global community while achieving improvement of the quality of life. Also, greater development of the Japanese economy would be ensured by so doing.

These three tasks have an aspect in which they are all related. Examples of this are such things as "how is the impact of the collapse of the bubble related to business conditions" and "don't the financial and securities scandals point to problem areas in the Japanese economy?" In this way, Japan's economy is faced as a whole with three tasks, and we must challenge the three tasks independently. At the same time, that will be the challenge for this year's economic white paper.

It goes without saying that the basis for solving and overcoming these issues lies in the comprehension and accurate understanding of them. It is often said that once a problem is accurately understood, it is already half solved. In this year's white paper, in order to accurately understand these three issues, voluminous analysis was conducted. Of course, there are many inadequacies, and it will be particularly necessary to discuss the Japanese economic system from various points of view. Even so, it is our hope that this year's white paper will be the starting point for discussion and progress will be made toward surmounting Japan's economic problems.

High Court Rejects Red Army Member's Appeal

OW1011090192 Tokyo KYODO in English 0804 GMT 10 Nov 92

[Text] Tokyo, Nov. 10 KYODO—The Tokyo High Court on Tuesday dismissed an appeal by Japanese Red Army member Hiroshi Sensui against his two-year prison sentence for violating the passport law, confirming an earlier district court decision.

The court justified its decision because of the "vicious nature" of Sensui's offense.

Sensui was convicted of having helped Osamu Maruoka, a top Red Army leader facing hijacking charges in a pending trial, obtain a copy of the family register of a man living in Okinawa Prefecture.

With the false identity, Maruoka managed to get a new passport at an Okinawa prefectural office in July 1987.

Sensui joined the Red Army after being sprung from prison, where he was serving a life sentence for murder and robbery, in exchange for hostages of a Japan Airlines jetliner hijacked in 1977 by Red Army members in Dhaka, Bangladesh.

The court said it acknowledged it was not Sensui's own decision to become involved with the group because the hijackers forced the Japanese Government to release him and five Red Army members.

But it said the two-year sentence is not too severe in view of his involving ordinary people in the illegal acquisition of the passport.

Sensui's lawyer pleaded for a reversal of the district court's verdict, saying the state had lost its punitive authority and power of jurisdiction for all offenses Sensui committed under the hijackers' influence because it released him into their hands.

The court said it is out of the question to say the state abandoned its power of jurisdiction, as his release was forced by the hijackers' taking of hostages.

Greenpeace Ships To Tail Plutonium Freighter

OW1011005292 Tokyo KYODO in English 0007 GMT 10 Nov 92

[Text] Washington, Nov. 9 KYODO—The Greenpeace environmentalist group said Monday it will use two ships to shadow a Japanese freighter carrying highly toxic plutonium from France to Japan.

The two Greenpeace ships will "follow the deadly cargo back to Japan," Greenpeace spokesman Tom Clements said.

The two vessels have been involved in the pursuit since the Japanese freighter, the 4,800-ton Akatsuki Maru, left the northwestern French port of Cherbourg Saturday night, Greenpeace officials said.

One of the two Greenpeace ships, the 2,200-ton motor tug Solo, clashed with an armed Japanese ship escorting the Akatsuki Maru Sunday morning off the French coast of Brittany, Greenpeace and Japanese Government officials said.

The two sides differed, however, on the circumstances of how the incident took place.

Greenpeace claimed that the Japanese escort ship, the 6,500-ton Shikishima, "rammed" the Solo "following a night of extreme intimidation."

In Tokyo, Maritime Safety Agency officials said it was the Greenpeace ship which crashed onto the Shikishima.

Clements said a second Greenpeace ship had been shadowing Solo throughout its pursuit of the Akatsuki Maru and witnessed the clash between the Solo and the Shikishima.

Greenpeace officials identified the second Greenpeace vessel as the Smit New York, a 1,870-ton ocean-going motor tug owned by the Dutch salvage company, Smit Wys.

Greenpeace officials said the mission of the two Greenpeace ships is to notify countries along the route of the Akatsuki Maru's movement.

Japan, citing security concerns, has refused to reveal the route which the plutonium carrier and its escort will use.

Greenpeace said that as of 1200 GMT Monday the Akatsuki Maru was about 280 kilometers off Cape Finistere at the tip of northwestern Spain.

The Akatsuki Maru was cruising at 14 knots with the Solo tailing about 500-1,000 meters behind and the Smit New York cruising further back, Greenpeace officials said.

The Akatsuki Maru is loaded with 15 containers of plutonium that was reprocessed by France's state-run nuclear fuel company Cogema from Japan's spent nuclear fuel.

The Japanese Government said the Akatsuki Maru is carrying one ton of plutonium, while Greenpeace said the amount involved is 1.7 tons.

The Akatsuki Maru, which left Japan on August 24, is expected to cover the voyage back home in about seven weeks and return to Japan before year-end.

Japan plans to ship about 30 tons of plutonium from France and Britain over the next two decades. The Tokyo government said the plutonium is intended for use in Japan's nuclear energy program.

Up to 30 countries have expressed concern about a possible accident or terrorist act involving the shipments. Plutonium is a key ingredient for making nuclear bombs.

Officials Reprimanded for Nuclear Reactor Accident

OW0611055592 Tokyo KYODO in English 0524 GMT 6 Nov 92

[Text] Tokyo, Nov. 6 KYODO—Tokyo Electric Power Co. said Friday it has taken disciplinary action against officials in connection with an accident at its nuclear reactor in Fukushima Prefecture in September.

The company said Shiro Sasaki, one of the executive directors, and Kensuke Fueki, head of the Atomic Power Generation Department, had their salaries cut for one month.

Six other officials, including the head of the Fukushima power plant, were reprimanded, the company said.

The action was taken in response to an accident involving the emergency core cooling system at the No. 2 reactor at the Fukushima plant on September 29.

The officials were accused of delaying in notifying prefectural and other authorities concerned about the accident, thereby undermining public confidence in nuclear power generation, company officials said.

The company submitted measures to prevent a recurrence of similar accidents to the Ministry of International Trade and Industry on Thursday.

North Korea

Daily Urges U.S. To Reconsider Korea Policy

SK1011024892 Pyongyang Korean Central Broadcasting Network in Korean 0021 GMT 10 Nov 92

[NODONG SINMUN 10 November special article: "The United States Should Discard the Anachronistic Policy of Strength"]

[Text] The great leader Comrade Kim Il-song has taught: Judging from the overall process of change in the situation today, I think it is time the United States reconsidered its policy toward Korea.

Today's situation urgently demands that the old concept of confrontation and the policy based on the position of strength of the cold war era be discarded. However, the United States is pursuing the policy based on the position of strength, turning away from this demand of the times and still captivated by the old concept of confrontation.

The U.S. policy toward Korea is, briefly, a confrontation policy of strength. As has already been reported, the United States, at the annual Security Consultative Meeting and the military committee meeting it held with the South Korean authorities in Washington some time ago, decided to resume next year the Team Spirit joint military exercise which they suspended this year, babbling about our nonexistent nuclear weapons development plan, and to withhold the second-stage planned reduction of U.S. troops in South Korea. They also decided to deploy in South Korea the rapid deployment combat forces, consisting mainly of the U.S. Air Force and Navy forces, even before an emergency situation on the Korean peninsula. Before this, the United States deployed a large-size assault landing ship at the Sasebo base in Japan for the first time in Asia under the pretext of preparing for our so-called military action.

In the meantime, the United States, with the South Korean authorities, conducted the Toksuri-92 joint military exercise all over South Korea, and the South Korean puppet army, at the same time, conducted the Hwarang military exercise. Last summer, they conducted the Focus Lens joint military exercise.

The United States has no reason or excuse to take various provocative military steps with the South Korean authorities today when the cold war has been brought to an end, when the confrontation structure between the superpowers has collapsed, and when a new phase has opened to ensure peace. Nevertheless, the United States and the South Korean authorities are stepping up their maneuvers for war. This shows that although they say that they want the progress of North-South dialogue on the Korean peninsula and the alleviation of tension on the Korean peninsula, they are in fact aggravating North-South relations which began to develop well and are straining the situation so as to lead the situation to confrontation and war.

All of the recent military provocation maneuvers of the United States and the South Korean authorities assume an aggressive and offensive nature aiming at the state of emergency on the Korean peninsula. It is well known that the Team Spirit joint military exercise is thoroughly a preliminary war and a test nuclear war exercise designed to wage a surprise attack on our Republic in view of the composition and scale and the nature and contents of the troops and equipment put into this exercise.

The Toksuri-92 joint military exercise which the United States conducted in South Korea is also a war rehearsal for northward invasion. This joint military exercise participated in by a total of 3 million troops is an unprecedented large-scale exercise, an all-out offensive exercise designed to drive the South Korean puppet army to a war of northward invasion making it a bullet shield for the U.S. forces.

These military exercises form part of the war method to wage regional strategy which the U.S. military authorities worked out after the end of the cold war. The U.S. military authorities make it a method of waging regional strategy to hold the command of the air and sea based on the strong military technological supremacy of the U.S. forces in the area of conflict in case of emergency and to achieve the objective of the war at the earliest period of time by the dispatch of the rapid deployment forces and vast ground troops while waging surprise preemptive attack by planes, ships, and missiles.

Therefore, the United States is in charge of the backbone of the navy, air force, and rapid deployment forces. Moreover, the ground forces are mostly made up of local mercenaries. Currently, U.S. military moves around South Korea and its region are being carried out according to that plan.

The fact that the United States decided to withhold its plan to reduce its troops in occupied South Korea, deploy more rapid deployment forces concentrating on the navy and air force even before an emergency in that area; and newly deploy at Japan's Sasebo base near the Korean peninsula large-scale assault landing ships and craft capable of disembarking Marines, tanks, and armored cars, and loaded with many vertical take-off and landing jet- propelled fighters and offensive helicopters in case of an emergency, are related developments.

In addition, the United States concluded the Wartime Host Nations Support Agreement with South Korea, making all human and material resources in South Korea subject to carrying out a war to invade the North by the U.S. forces. Recently, it was also agreed with the South Korean authorities to supplement the ground forces with the puppet army in case of an emergency. These are but war preparations to invade the North. The United States is even trying to deeply involve Japan in invading the North in a future war against our Republic.

After the end of the cold war, U.S. authorities especially emphasized the importance of the security system of the United States and Japan. Therefore it is no coincidence that the United States is continuously adhering to Japan as a launching base and supply base for U.S. forces, and is strengthening joint military exercises by the U.S. forces and Japan's Self-Defense Forces in the neighboring regions of the Korean peninsula. In addition, in the triangular military alliance system of the United States, Japan, and South Korea, it was recently agreed that Japan and South Korea will mutually open up each other's naval ports. This signifies that in reality these two regions have turned into a joint operations region in the military field.

Needless to say, the purpose for this kind of maneuvers by U.S. imperialists is to drag the Japanese Self-Defense Forces into the Korean front. This was the same case in the past Korean war period.

All recent military maneuvers being launched by the United States are moves that can be seen only on the eve of a war. The U.S. imperialists are mobilizing their forces and equipment one by one and are adhering full-scale in the work to enhance their actual fighting capabilities according to war plans to invade the North.

U.S. and South Korean authorities' indiscriminate circulation of rumors that we are planning to develop nuclear weapons and biochemical weapons and so on are nothing but preposterous fabrications to hide and rationalize their war preparations to invade the North.

As the history of war shows, aggressors always babble in advance about the threat of the other side prior to waging a war. By no means is the United States an exception. Once again, recent incidents clearly show that there are no changes in the U.S. policy toward Korea and that it is continuously clinging to the unchanged confrontation policy of strength.

The unchanging strategy of the United States is to adhere to South Korea as a colonial military base and anticommunist and antisocialist strongpoint. Also, with this as a stepping stone, it is trying to gain supremacy over our Republic. Furthermore it is trying to oppress and check other countries.

The reckless military moves by the United States are completely anachronistic in view of the international trend which is moving toward arms reduction and peace, or in view of the will and desire of the Korean people and the world's peace-loving people who demand detente and reconciliation.

The United States should throw away the confrontation policy of strength which has already failed, stop all provocative military maneuvers opposing our Republic, and put forth a policy toward Korea which is in conformity with the trend of the times.

Alleged Murder by U.S. Serviceman Condemned

SK1011053892 Pyongyang KCNA in English 0441 GMT 10 Nov 92

[Text] Pyongyang November 10 (KCNA)—A soldier of the U.S. imperialist aggression army in South Korea, Michael by name, stabbed to death a woman, Yun Kum-i, in Tongduchon on October 28.

MINJU CHOSON today brands this as a never-to-be-condoned crime which can be committed only by bestial U.S. imperialists who regard aggression and plunder, murder and robbery as the mainstay.

The news analyst says:

Since the first days of their occupation of South Korea, the U.S. imperialists have ruthlessly trampled the national sovereignty and dignity and elementary human rights of people there.

They have treated the South Korean people as colonial slaves. The U.S. imperialists insulted them, calling them as "mouse" and "King Kong", shot a wood-cutting person whom they pleaded they mistook for a "pheasant", beat to death an innocent child, branding him as a "burglar," threw naked women to the streets and looted dwelling houses by wielding lethal weapons. Their atrocities would make even the beasts blush with a shame.

The South Korean authorities, who should have punished the Yankee soldier who murdered Yun Kum-i, transfered him to the U.S. Army. After the murder case evoked a great repercussion on people, they made a fuss for "detention and investigation."

The Korean people can hardly repress surging national resentment and indignation at the murder case. The South Korean people will deal a heavy blow to the U.S. imperialists and their stooges.

U.S.-Japan 'Largest Ever' Exercise Reported

SK1011052292 Pyongyang KCNA in English 0435 GMT 10 Nov 92

[Text] Pyongyang November 10 (KCNA)—A Japan-U.S. joint military exercise largest ever in scale in history began on November 7, according to a report.

The war game which would continue for ten days in the sea and land with the Hokkaido training field as the main theatre involves the three services of the "Self-Defence Forces" (SDF) and the three services and the Marines of the U.S. Forces. This indicates that the aggressive and criminal military tie-up between the U.S. and the Japanese reactionaries against the DPRK and other Asian countries is being tightened.

Japanese militarism which has revived under the aegis of the U.S. imperialists after its defeat in World War II has long since watched for a chance to realize the old dream [words indistinct] great power.

With the signing of the "U.S.-Japan Security Pact" in 1951, Japan legalized the presence of the U.S. Forces in Japan and the conversion of Japan into a military base, while reinforcing the "SDF." And she began to stage large- scale joint exercises with the United States in 1978.

The conversion of the country into a military power and nuclear arming promoted by Japan today when the cold war era has ended run counter to the trend of the times of disarmament and peace, and the "regional defence" advertised by Japan means "attack" and "aggression" on the Asian countries.

The peace-loving nations and peoples of Asia and the rest of the world including Korea are sharply watching the military conspiracy of Japanese militarism which is running about recklessly after leaving the whole of its land to the U.S. as its military base for expansion overseas and the U.S. imperialists who are scheming to attain their aggressive goal by using Japan.

Fisheries Cooperation Accord Signed With Russia

SK0911054492 Pyongyang KCNA in English 0447 GMT 9 Nov 92

[Text] Pyongyang Nov. 9 (KCNA)—The sixth meeting of the DPRK-Russia Joint Committee on Cooperation in Fisheries was held here.

An agreement was signed at the meeting Sunday.

The agreement was signed by Han Yong-on, director of the General Bureau of Pelagic Fisheries of the State Fisheries Commission, and Yu. I. Moskaltsov, director of the Far Eastern Fisheries Department of the Commission of Fisheries of Russia.

Pyongyang Municipal Delegation Leaves for Cuba

SK0711131492 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 4 Nov 92

[Text] A Pyongyang municipal delegation led by Paek Hak-yon, standing vice chairman of the Pyongyang Municipal People's Committee, left for Cuba on 4 November. Kim Pong-ho, first vice chairman of the Pyongyang Municipal Administrative and Economic Committee, and Miguel Puentes, Cuban charge d'affaires ad interim to our country, were on hand at the airport to bid farewell to the delegation.

No Tae-u's Summit Talks in Japan Condemned

SK1011001192 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 9 Nov 92

[Text] According to foreign press and South Korean radio reports, the highest person in authority of South Korea made a one-day junket to Japan on 8 November. This junket was not only an antireunification junket aimed at perpetuating national division, but was also a treacherous junket aimed at prolonging his life under the protection of outside forces.

This is proven precisely by the fact that at the talks with the Japanese prime minister, No Tae-u babbled that the presence of U.S. forces in East Asia is important, that the upkeep of U.S. forces in South Korea is necessary, and the like.

He stressed the need for the presence of U.S. forces in South Korea, disregarding the stern fact that in the

North-South Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange the North and the South reaffirmed the three principles for national reunification—independence, peaceful reunification, and great national unity—clarified in the 4 July joint statement. This is an act which only national traitors, whose pro-U.S. flunkeyist, treacherous disposition has taken hold of them to their marrows, can perpetrate.

In particular, what roused the people's gorge is the fact that in the junket No Tae-u attempted to drag in even the Japanese militarist aggression power in an effort to further create obstacles to the reunification of the Korean peninsula. This is proven by the fact that at the talks he babbled, chiming with the Japanese prime minister, that the presence of U.S. forces in East Asia is important for the security of the United States, Japan, and South Korea.

DFRF Supports Statement on Halting Exchanges

SK0911052192 Pyongyang KCNA in English 0434 GMT 9 Nov 92

[Text] Pyongyang November 9 (KCNA)—The Central Committee of the Democratic Front for the Reunification of the Fatherland [DFRF] in a statement Sunday stated that it entirely depends on the South Korean authorities whether the North-South dialogue continues, or not in Korea.

It expressed full support to the joint statement issued on November 3 by the North side's chairmen of the North-South joint committees in which they clarified their stand that they could not go to the first meetings of the North-South joint committees scheduled to be held at weekly intervals from November 5 when the South Korean authorities together with the United States were staging the large-scale military exercises codenamed "Hwarang" and "Eagle-92", and urged the South side to take a responsible step for the opening of the meetings in December.

The entire fellow countrymen had earnestly hoped for the opening of the meetings of the joint committees which would carry into practice the annexed agreements for the implementation of the North-South agreement, the statement noted, and continued: The South Korean authorities, however, have persistently committed deliberate acts spoiling the atmosphere of North-South dialogue.

This is clearly evidenced by the fact that the South Korean authorities had been whipping up North-South confrontation by faking up the so-called "case of the Workers' Party of Korea in South Korea" till they agreed with the United States to resume the "Team Spirit" joint military exercises negating dialogue in early October just one month before the opening of the meetings of the joint committees, the statement noted, and went on: The "Eagle" and "Hwarang" exercises this time by the South Korean authorities clearly show that they, afraid of the public censure at home and abroad, had adopted and effectuated the annexed agreements and even agreed to the dates of the first meetings of the joint committees at the eighth North-South hight-level talks, but, in actuality, they were manoeuvring to break the North-South dialogue and check the implementation of the inter-Korean agreement.

If the South Korean authorities value the North-South dialogue and have the least intention to implement the North-South agreement, they must stop, though belatedly, the joint military exercises hindering the inter-Korean dialogue and immediately withdraw the step to resume the "Team Spirit" exercise, thus enabling the North- South joint committees to operate in December as demanded in the joint statement.

If the South Korean authorities continue to go along the road of confrontation and war together with the foreign forces, not heeding our repeated warning, they will face condemnation and denunciation of the nation as the wreckers of the dialogue, it declares.

Article on 'Peaceful Nuclear Policy' Cited

SK0811090092 Pyongyang KCNA in English 0817 GMT 8 Nov 92

[Text] Pyongyang November 8 (KCNA)—NODONG SINMUN in a by-lined article today deals with the DPRK's peaceful nuclear policy.

Referring to the ongoing fourth irregular inspection of the DPRK by the International Atomic Energy Agency (IAEA), the article says the DPRK's nuclear program and policy are just.

Our peaceful program and policy are chiefly aimed at developing and using atomic energy for peaceful constructions, the article stresses, adding:

For the United States, Japan and South Korean authorities to claim that the DPRK is "developing" and possessing nuclear weapons is the jargon of a somnambulist, and it is a despicable and absurd trick to sling mud at and isolate the DPRK.

In the future, too, we will push ahead with researches to effectively use atomic energy for peaceful purposes and develop international cooperation and exchange in this regard.

The nuclear threat on the Korean peninsula is a U.S. nuclear threat against the DPRK, the article says, and goes on: The recent decision of the United States and the South Korean authorities to resume the "Team Spirit" joint military exercises, a test nuclear war, eloquently shows their nuclear threat, nuclear war moves against the DPRK.

They are provoking the DPRK with a row over the fictitious "nuclear development by it" in an attempt to justify their nuclear war moves.

The article stresses:

We do not bow to pressure from others to say something wrong is right, nor do we give up what we think is right. We will as ever remain faithful to our international obligations with regard to the nuclear problem.

Kim Chong-il Treatise on Party Building Extolled

SK0811083192 Pyongyang Korean Central Broadcasting Network in Korean 2311 GMT 4 Nov 92

[NODONG SINMUN 5 November editorial: "A Great Series of Work for the Building of a Revolutionary Party in our Era"]

[Text] Today many revolutionary parties of the working class are carrying out a new struggle for socialism by putting forward the Pyongyang Declaration as a common program for struggle.

At this historic time, Comrade Kim Chong-il, the dear leader of our party and people, published an immortal work, "On the Fundamental Questions of Revolutionary Party Building," a masterpiece illuminating the road for the building of a revolutionary party in our era.

With greatness, creativeness, and justness in ideology and theory included in this work, it evoked great repercussions among the people at home and abroad as soon as it was published.

Upon accepting this masterpiece, our party members and workers are overflowing with a great pride in upholding the great leader [yongdoja] who is leading the cause of building a chuche-based party and the socialist cause along the single road of victory. They are consolidating determination to endlessly glorify our party's achievements in the revolutionary party building.

The basic spirit running through dear leader Comrade Kim Chong-il's thesis, "On the Fundamental Questions of Revolutionary Party Building" is to defend, protect, and accomplish the socialist cause to the end by vigorously carrying out the struggle to build the revolutionary party of the working class in conformity with the demand of the time and of the popular masses.

The dear leader Comrade Kim Chong-il has indicated: The history of the struggle for socialism can be called the history of party building and activities of the working class.

The whole course of struggle waged by the working class and working popular masses by shedding blood for socialism shows that both the key to success and the cause of failure depend on party building and activities.

Mankind's advance toward socialism is a flow of historic development. This flow is guided by the party of the working class, and advance of a socialist society demands that one constantly strengthen and develop the party of the working class.

However, a grave situation, in which socialist ruling parties have degenerated and collapsed took place in many nations in recent years. But, in view of the trend in development of history, this is merely a temporary phenomenon which deviated from the normal track.

Reality demands that revolutionary parties and communists seek deserved lessons from this situation and pioneer the revolutionary road of party building independently and creatively.

Based on an overall summation of experience and lessons in building of the party which plays the decisive role in accomplishing the socialist cause, the masterpiece clearly pointed to the road of constantly strengthening the party and of further enhancing its guiding role.

For this, this document became a militant banner which makes it possible to firmly defend and safeguard the socialist cause by bravely smashing various maneuvers of the class enemies to destroy the revolutionary party of the working class. It also became a banner of encouragement which gives great confidence and courage to revolutionaries and people who are struggling to rebuild socialism.

The work, "On the Fundamental Questions of Revolutionary Party Building" is an encyclopedic masterpiece which has comprehensively summed up all theoretical and practical questions in implementing the cause of building the revolutionary party of the working class in the present era.

For the socialist ruling party to fulfill its missions as a guiding political organization of society, it has to resolve a great number of theoretical and practical problems.

With previous theories on party building which were put forward during the period when the party of the working class struggled to seize political power, one cannot vigorously advance the cause of building a party according to the demand of the time.

The work abundantly contains ideologies, theories, and policies which our time demands for building a ruling party, including the issue for the party to consolidate its organizational and ideological foundation and to strengthen its mass basis; the issue of organizing the party based on ideology; the issue of realizing political guidance of entire society, and the issue for revolutionary parties to strengthen their internationalist unity and solidarity.

All these ideologies and theories are invincible ideas and theories whose justness and vitality have been fully verified in our party building.

A great document has been published which extensively includes the fundamental problems of revolutionary party building. This was elucidated based on the immortal chuche idea. Thus, this is a momentous event in the long history of working class party building.

The document "On the Fundamental Questions of Revolutionary Party Building," has great theoretical and practical significance in vigorously advancing and consummating the socialist cause and the party building cause in accordance with the demand of the developing revolution.

Above all, this significance lies in the fact that by clearly elucidating the historical lessons of building a socialist ruling party, it clearly manifests a scientific method in building a mighty revolutionary party which is unwavering under any circumstances.

The road to socialism is a totally new path which should be newly pioneered. It is also a formidable revolutionary road which should be advanced amid acute confrontation and struggle against imperialism. Trials and difficulties are unavoidable, and unexpected incidents may happen on the road to socialism. Therefore, to advance the socialist cause, it is very important to sharply analyze the prevailing situation; find serious lessons from there; and elucidate the road to advance the revolution. These historical tasks are realized by the party and the great leader of the revolution that possess extraordinary wisdom and scientific insight, and the sagacious leader guiding the era.

In his document, the dear leader Comrade Kim Chong-il sagaciously elucidated that the reason for the recent collapse of the socialist ruling parties is that they failed to firmly consolidate the party's organizational and ideological basis; failed to consolidate the party's mass-oriented ground; and failed to establish chuche because they deserted the revolutionary principle of working class party building. This is the most correct analysis based on the chuche-oriented principle of the history of society.

This sharp analysis makes it possible for many revolutionaries and people, who were temporarily agitated and hesitant before the antirevolutionary offensive, to correctly understand the essence of the situation and vigorously advance along the basic track of the development of history.

The document clearly elucidates the historical lessons of the collapse of the socialist ruling parties and socialist systems in many countries. If the socialist cause is to be completed to the end, the purity of socialist ideology should be firmly adhered to and the problem of the succession of leadership should be correctly solved. These are the most important lessons that the party and people who are carrying out the revolution should always be deeply aware of.

By clearly stating this valuable truth, a road has been elucidated to consolidate and develop the working class party under any circumstances and without any wavering of the iron-willed ranks, and to endlessly and highly manifest the superiority of the socialist system.

In particular, the theory on highly electing a leader of the new generation with refined leadership and people-oriented traits has great significance in succeeding and consummating the socialist cause generation after generation.

Through the document which profoundly analyzed the lesson of building the socialist ruling party, we are all the more deeply experiencing how proud and happy our people are, who are living and carrying out the revolution in a country that has brilliantly solved the problem of the succession of the revolutionary cause.

This masterpiece which was recently published is also a great series of work of party building that makes it possible to constantly consolidate and develop our party based on the basic principle of chuche-oriented revolutionary party building.

Today, our party is invariably adhering to its chuche-oriented nature even amid the rapidly changing situation, and is constantly being strengthened and developed into the working class revolutionary party with authority and combat strength. Reality positively demonstrates the correctness of the basic principles that our party invariably adheres to in party building and in its activities.

In the work, dear leader Comrade Kim Chong-il expounded the basic principle for building a chuche-based revolutionary party and pointed out that our party is carrying out the work of building the party and its activities by assuming the chuche idea as the only guideline. Thus, he clearly elucidated the basic principle for our party to realize the ideological and conscious unity and cohesion of the revolutionary ranks and to lead the revolution and construction to victory based on correct strategy and tactics.

That the issue of providing the party's guiding idea was brilliantly resolved in conformity with the demand of our era and practical situation of our country and that the party has been strengthened and developed independently based only on one idea are the greatest achievement made by the party and the leader before the chuche-based cause.

The principle for building a chuche-based party today has become a most just guideline for advancing the cause of building a revolutionary party without the slightest degree of deviation.

The document comprehensively elucidates the basic issues for building a revolutionary party including the issue of building the party as a mass party for the working people; the issue of firmly ensuring the monolithic nature in ideology and leadership within the party; the issue of strengthening the unity and cohesion of the party; the issue of organizing the party based on ideology, and the issue of ensuring political guidance over the entire society. The document has profoundly proven the justness and creativeness of policies which our party maintains to resolve these issues.

When we firmly maintain this idea and theory, we can deepen and develop the revolution and can brilliantly achieve all difficult and complex tasks raised before the cause of building the party.

The document gave a complete elucidation to the most urgent question raised in building the socialist ruling party at the present era. Therefore, this document has become a matchlessly valuable asset for the international working class.

The immortal work announced recently is a great stimulative banner which strengthened the internationalist unity and solidarity of revolutionary parties and which opened a bright future for building a new independent world.

Today the imperialists and various reactionaries are blocking the popular masses' cause of independence by internationally collaborating with each other and are perpetrating various cunning maneuvers in order to split and alienate the anti-imperialist independent forces.

The present situation demands that parties and people who are carrying out the revolution more tenaciously struggle than ever before in firm unity with each other by cherishing conviction in victory and revolutionary spirit.

The slogan, "The world's people defending independence should unite each other!" is a slogan which all people of our era should jointly uphold.

This immortal work is the banner of unity and solidarity which enables the party and people who are carrying out the revolution to fight in firm unity based on independence. This work clarifies the significance and importance of the Pyongyang Declaration in strengthening internationalist unity and solidarity of revolutionary parties and in advancing the socialist cause. This work comprehensively expounds principled positions and common tasks of struggle which should be maintained in realizing the firm internationalist unity among revolutionary parties.

This immortal work elucidates most just ideas on unity including the issue of realizing unity based on the socialist ideal and on independence; the issue of presenting the Pyongyang Declaration as a common program for struggle; and the issue of achieving the united front with democratic political parties and organizations. Thus, this work has become a militant banner which enables the party and people who are carrying out the revolution to crush various challenges of the imperialists and various reactionary forces and to realize the cause of the popular masses for independence.

The might of socialism and the might of independent forces are political and ideological might and mighty of unity. When all anti-imperialist independent forces, including socialist countries; international communist and labor movement; the national liberation movement; and nonaligned movement and international peace movement, struggle in firm unity, as expounded in the work, the antirevolutionary offensive of the imperialists and reactionaries will certainly be frustrated and a new independent world—mankind's future—will be built without fail.

Truly, the historical work "On the Fundamental Questions of Revolutionary Party Building" is an unprecedented great work in the driving force and vitality to vigorously promote the building of the working class revolutionary party, and in the achievements which contributed to advocating and adhering to the socialist cause and accelerating the fulfillment of the indepedence cause in the entire world.

Our people and the world's revolutionary people are very lucky to receive such a valuable work that clearly elucidates the future road of the building of the revolutionary party, and which makes it possible to create only the ever-victorious history in the struggle for independence.

The immortal and classical work "On the Fundamental Questions of Revolutionary Party Building" is a valuable fruition of the extraordinary ideological, theoretical, and practical activities of the dear leader Comrade Kim Chong-il, who is building the ever-victorious party under the banner of the chuche idea, and with this as a weapon is illuminating socialism centered on the popular masses.

In his first stage of leading the revolution and construction, the dear leader Comrade Kim Chong-il defined the strengthening of the party and the constant enhancement of its leadership role as a lifeline of the socialist cause. Therefore, he always gave priority interest to this work.

The dear leader Comrade Kim Chong-il presented many unique ideological and theoretical policies of party work and party activity during each period and each stage of the revolution and construction and energetically led us to embody them. Therefore, apart from his refined leadership we cannot talk about our party proudly demonstrating the ever-victorious great party as today.

In the course of strengthening the main force of the revolution in every way and leading the chuche socialist cause to victory, our party achieved immortal achievements that are glorious all over the world. It also created extraordinarily rich and valuable experiences.

The work published at this time is the generalization and compilation of our party's great achievements and experiences attained in party building and in carrying out the socialist cause.

There is no greater party than our party which contributed to carrying out the independence cause by presenting the great ideologies and theories that elucidate the future road of the times and the socialist cause.

The dear leader Comrade Kim Chong-il is receiving absolute respect and trust by our people and the world's revolutionary people as the most distinguished ideological theoretician of our times.

Today we are faced with the arduous task of further strengthening our party and endlessly consummating the socialist cause of our own style by thoroughly implementing ideologies and theories set forth in the classical work "On the Fundamental Questions of Revolutionary Party Building."

The dear leader Comrade Kim Chong-il has pointed out: Advancing the socialist cause is dependent on how to build the party, which is leading the socialist cause, and on how to enhance its leadership role.

Thoroughly fulfilling the ideology and theory revealed in the work by the dear leader Comrade Kim Chong-il is a sacred mission for strengthening our party; further consolidating the chuche strength of our revolution, making it as firm as a rock; and resolutely advocating, adhering to, and completing to the end the socialist cause.

All party members and workers should deeply bear in mind the great dignity and pride of highly upholding the great leader and living and carrying out the revolution by upholding the glorious party's leadership. They should also constantly launch into the struggle to thoroughly fulfill the ideology and theory presented in the work.

We must most of all extensively and deeply study the work. This work has gem-like propositions and is perfectly logical. Each proposition and each sentence in the work are filled with extraordinarily profound meanings.

We should extensively learn the essence of and all ideology and theory included in the work by sincerely studying the text in detail. Study of the work should be based on deeply recognizing our party's greatness, the correctness of the chuche idea, and the invincibility of the socialism of our own style. Moreover, through the process of studying the work, everyone should be firmly prepared to be a resolute advocate of our party's ideology and theory and an enthusiastic fighter of the socialist cause.

Highly upholding the dear leader Comrade Kim Chong-il's ideology and leadership is a decisive guarantee for completing to the end the chuche socialist cause. All work to strengthen the might of our party and the revolutionary ranks from every direction and to demonstrate the superiority of socialism is organized and guided by our party center.

All the party members and workers should deeply bear in mind that there is ultimate victory in the Korean revolution and the fatherland's infinite grandeur and prosperity on the road of highly upholding the party's leadership. They should also firmly have faith in and follow only our party under any circumstance and resolutely fight toward the one road of chuche which is being displayed by the party.

We should defend the single-hearted unity of our revolutionary ranks, which are firmly united around the great leader and the dear leader Comrade Kim Chong-il, as we would defend our own eyes. We should also work so that whatever small element that runs counter to the party's ideology cannot penetrate our society.

We received the dear leader Comrade Kim Chong-il's classic work at a time when the honor and dignity of our party and the chuche Korea are being enhanced more than ever before, and the superiority of the socialism of our own style is being vigorously demonstrated. This is a great honor for our people.

All the party members and workers should highly uphold the great party and the leader's leadership and deeply bear in mind the great national dignity and pride of building socialism along the most just chuche road. They should also bring about a great revolutionary upsurge on all fronts of socialist construction.

South Korea

'Long-Range Measures' Needed for Policy on U.S.

SK0911231292 Seoul CHOSON ILBO in Korean 9 Nov 92 p 3

[Editorial: "Long-Range Measures Should Be Worked Out for 'Clinton Change'"]

[Text] With the emergence of the new Clinton administration in the United States near at hand, our government appears to be seeking measures for Clinton diplomacy. However, the government efforts for this up to now only give us an impression that such measures are no more than short-range steps, including "diplomacy for gathering information" and "diplomacy for seeking contact points." To get rid of the limit of "tardy diplomacy," one of the long-existing morbid practices in our diplomacy, long-range measures should be provided expeditiously to cope with Clinton diplomacy.

Collection of intelligence from the United States' political circles and media and positive attempts for contact with key persons responsible for planning northeastern policies in the new U.S. Government will undoubtedly help work out short-range measures for Clinton diplomacy. However, we must have our own capacity for analyzing Clinton diplomacy with a view to planning long-range programs.

The crucial, core factors deciding U.S. foreign policies after World War II were the changes in international orders and systems, the demand in domestic economic order, and bureaucracy. Relative emphasis in the new change in Clinton diplomacy seems to be put on domestic sectors rather than on international elements. In particular, the economy constitutes the main factor in its domestic sectors.

Therefore, the long-range prospect of Clinton's policy on Northeast Asia will largely depend on the long-range prospect on the change in the United States' domestic economy. The newly emerging Clinton administration will likely put an emphasis on revitalizing the economy through increase in the investment field. However, a great number of difficulties are laid on the road of concretely implementing this policy. In particular, as for the United States, it is suffering enormous financial red ink. Therefore, reduction of military expenditure has been pointed out as the most important factor for providing financial investment sources.

In the event that revitalization of the economy is not achieved at the early stage of the Clinton presidency, a change going far beyond the anticipated reduction in military expenditure will take place. Such deepened reduction in military expenditure will exert great influence on the security system in Europe, thus accelerating a new European security order. This will also exert significant influence on the security order in Northeast Asia.

It is anticipated that with North Korea's nuclear policy and human rights issue, as well as tensions with China, the speed of changes in U.S. policy on Northeast Asia will relatively slow down at the early stage of the new Clinton administration. However, in the event that North Korea and China strengthen improvement of their relations with the United States out of their domestic reasons and that the revitalization of the United States' domestic economy is delayed, the United States will seek a new Northeast Asian military order parallel to the new European security system.

Amid such changes, the United States will readjust [chaejojong] its overall military strength in the Asian-Pacific region, and at the same time, will examine the feasibility of an Asian security consultative council. Accordingly, our government should observe and analyze the United States' policies based on a long-range view with our own capacity, instead of adhering only to present-day remarks and plans of the new U.S. Administration and Congress and views of the U.S. press. Our government thus should work out measures based on such observations and analyses.

Further Study of Agreements With U.S. Demanded

SK0411054692 Seoul THE KOREA TIMES in English 4 Nov 92 p 2

[Text] A lawmaker of the Democratic Party argued yesterday that the Wartime Host Nation Support Agreement (WHNS) between the United States and Republic of Korea includes unfair articles compared with a similar agreement between the United States and the Federal Republic of Germany.

In the Foreign Affairs and Unification Committee meeting of the National Assembly, Rep. Yi Pu-yong said, "Since the agreement lacks definite clarification of contents and process of 'wartime support,' it will possibly invite unnecessary U.S. intervention on the basis of its own decision."

Yi continued that according to the agreement, ROK must support the U.S. Forces stationed in Korea regardless of wartime or peacetime and even the forces outside of the peninsula.

"Therefore, the ratification of the agreement should be put off until next Assembly session so that members of the committee can make a proper decision after hearing qualified opinions," he said.

Rep. Yi also demanded postponement of ratification of the Patents Secrecy Agreement (PSA), saying it can do harm to the national interest.

"If the agreement is ratified under the present situation in which disparity between the two countries is so big, Korea will not be able to overcome technical subordination to the United States," he said.

Trade Minister Seeks More Cooperation With U.S.

SK1011065292 Seoul YONHAP in English 0518 GMT 10 Nov 92

[Text] Seoul, Nov. 10 (YONHAP)—The government plans to advance the 14th South Korea-U.S. trade ministers' talks to the beginning of next year from the yearend, Trade and Industry Minister Han Pong-su said Tuesday.

Han said the government would also bolster the role of the private Korea-U.S. Economic Council, hold a Korea-U.S. businessmen's meeting early next year and enhance cooperation with the U.S. Congress and state governments.

The minister was presiding a trade policy conference attended by members of the trade policy committee, the business cooperation council and exporters and representatives of economic organizations.

As U.S. President-elect Bill Clinton would pursue a strong industrial policy using government intervention, the Korean Government would actively promote industrial cooperation with the United States and seek ways to make inroads jointly into third countries, he said.

Predicting the Uruguay Round trade negotiations would make progress after the U.S. presidential elections, Han said, his government would try to have its position reflected in the agriculture and service sectors, while preparing for talks on the environment, international standards and government procurement.

'Defects' Alleged in U.S. Missiles, Helicopters

SK1011080492 Seoul CHOSON ILBO in Korean 10 Nov 92 p 31

[By reporter Pang Chun-sik]

[Text] It has been revealed in succession that U.S.-made Patriot missiles and Apache helicopters, which the National Defense Ministry is considering procuring, have serious defects. Weaponry specialists are concerned that the ministry could be making a mistake in buying old-fashioned equipment at an expensive price since the performance of these weapons has deteriorated. Although they have been hailed as Gulf war champions, they are too expensive, and the United States is already developing replacement equipment.

Lt. Colonel Yi Hui-u (Ph. D. in aviation engineering) of the Air Force headquarters noted in a recently published quarterly Air Force magazine No. 221 that the Patriot missile's hit ratio is only 15 to 25 percent and that the success ratio of intercepting missile warheads is almost zero percent.

Lt. Colonel Yi revealed this based on various data published up to now in connection with the Patriot missile's performance. Lt. Colonel Yi said that although the U.S. Army announced that the Patriot missile's hit ratio in the Gulf war was 40 to 70 percent, as a result of U.S. and Israeli specialists' precise analysis of interception footage shown on television from the Cable News Network, reports of the missiles "hitting the bull's-eye 100 percent of the time" were found to be fictitious. At least one Patriot missile battery composed of eight missiles is necessary for operational deployment. A battery costs more than a trillion won. During the ROK-U.S. Focus Lens joint exercise in August, the United States airlifted two Patriot missiles to the ROK and showed them to ROK military officials at Suwon Air Base. It was learned that the United States had been vigorously lobbying through the U.S. Embassy to the ROK and U.S. military officials in the ROK to sell the missiles to the ROK. It was also learned that the ROK Defense Ministry and Joint Chiefs of Staff had included the purchase of the missiles in the mid-term defense plan (1994-1998). As for the Apache helicopters, the U.S. General Accounting Office (U.S. equivalent of the ROK Board of Audit and Inspection) pointed out these helicopters' defects in September 1990. After the Gulf war, the helicopters again came under attack by the U.S. Congress and media.

Commissioned by U.S. Representative Dingell, last April's survey of Apache helicopter pilots and ground crew who participated in Operation Desert Storm found that 88 percent of the pilots said that they had experienced systems and parts failures; 60 percent of the pilots and 88 percent of the ground crew said that they experienced failures of 30mm guns; and 58 percent of the pilots and 90 percent of the ground crew said that they experienced problems in night-vision equipment. In a nutshell, they pointed out that equipment failures were common and that the helicopters were inefficient in carrying out operations. An Apache helicopter without Hellfire missiles or other accessory equipment costs 20 billion won.

McDonnell Douglas Company, the manufacturer of Apache helicopters, invited relevant officials of the ROK Defense Ministry to attend an exhibition at the 8th U.S. Army base in Yongsan last June. A month later, the U.S. Department of Defense announced that it was planning to sell 34 Apache helicopters and 775 Hellfire missiles to the ROK. The Defense Ministry asserted that this announcement was "not based on fact [sasilgwa taruda]." However, it was later learned that the Defense Ministry had decided to introduce attack helicopters sooner or later due to strong Army demand for strengthening air-ground cooperative operation. A relevant official in the military said: "The Patriot is inadequate for battlefields with our topographical conditions, and it is not right to push ahead with the introduction of Apache helicopters because they are offensive weapons which would be the first weapons to go in the case of aarms reductions following future full scale North-South disarmament talks."

Editorials Examine ROK-Japan Summit Talks

Need To Improve Ties Noted

SK1011000292 Seoul CHUNGANG ILBO in Korean 9 Nov 92 p 3

[Editorial: "Change of Situation and the ROK-Japanese Cooperation"]

[Text] Our attention has been particularly focused on the time and form of the ROK-Japanese summit talks held in Kyoto on 8 November. Under the circumstances in which the transfer of power in the United States will soon take place, the focus of discussion at the ROK-Japanese summit talks cannot but be the relations among the ROK, the United States, and Japan. In connection with the future situation in Northeast Asia, heads of both countries are of the opinion that the existing tripartite cooperative system among the ROK, the United States, and Japan should be maintained. They also agreed that, based on the tripartite cooperative system, both countries should accept a new change in Northeast Asia. President No Tae-u and Prime Minister Miyazawa revealed that even after the transfer of power in the United States takes place, the current U.S. role in Northeast Asia should continue. Thus, they maintained a conservative stand about the international security system in Northeast Asia.

The Northeast Asian order has changed. Along with this, ROK-Japanese relations have recently become worse enough to surprise us. With the confrontation system of the cold war collapsing in Northeast Asia, the ROK has improved relations with Northeast Asia, including establishing diplomatic relations with the former Soviet Union and China. Because Japan has felt a sense of alienation in this course, it resumed negotiations to establish diplomatic relations with North Korea. At the same time, the issue of the Korean comfort women for the army has come to the fore. The issue of trade imbalance between the ROK and Japan has again appeared as a serious issue. Because of such a series of events, ROK-Japanese relations have become the worst since diplomatic relations were established in 1965.

It is said that President No Tae-u, whose term will expire soon, planned to hold the summit talks in order not to leave "a poor legacy" to the next government by turning the worse ROK-Japanese relations back to friendly relations before his nordpolitik was promoted.

At the summit talks, heads of both countries freely met with each other without complicated formal procedures. They exchanged unrestrained opinions without adhering to any special agenda. These are the characteristics of the summit talks. Even though there are some weak points because the summit talks were held at the end of his term, such working-level summits talk should have been held earlier.

Heads of both countries deeply exchanged their opinions about the Northeast Asian countries' method to cope with the transition of the U.S. Government. They evaluated changes in China and Russia and discussed the issue of jointly coping with those changes. They also comprehensively exchanged opinions about North Korea's nuclear weapons and about various issues pending between the ROK and Japan. It is likely that an agreement was reached at the summit talks. We expect that the bad relations between two countries will return to friendly relations with the talks this time as an occasion.

Japan favorably responded to the fact that heads of both countries stressed the maintenance and consolidation of the cooperative system among the ROK, the United States, and Japan. It is revealed that Japan expects its position in Northeast Asia to be stronger by strengthening the ROK-Japanese cooperative system. Under the circumstances in which the transfer of power in the United States will soon take place and in which the relations of strength in Northeast Asia are rearranged on the whole, the recovery of the ROK-Japanese friendly relations is necessary.

However, efforts to resolve the issue concerning the Korean comfort women for the army, to liquidate the remnants of Japanese militarism, and to resolve other pending issues should be constantly made. Both countries should make working-level efforts to more rapidly and thoroughly resolve the issues with improved ROK-Japanese relations. However, from the standpoint of the balance with the three powers in a subtle era, the ROK should be very careful not to give the impression that the ROK leans extremely on Japan.

Stress on 'Triangular' Relations Praised

SK1011062492 Seoul TONG-A ILBO in Korean 9 Nov 92 p 3

[Editorial: "ROK-Japan Working-Level Summit Talks"]

[Text] ROK diplomacy, which focused northward with the inauguration of the Sixth Republic, seems to be shifting its course to the south with President No Tae-u's retirement from the presidency around the corner. The fact that the ROK and Japan perceived again the importance of the trilateral relationship among the ROK, the United States, and Japan at the ROK-Japan working-level casual summit talks bespeaks this.

On the occasion of the working-level informal talks attempted by the ROK and Japan for the first time, it is true that President No Tae-u's trip was criticized by some quarters because of its timing with his tenure of presidency expiring in three months, although they recognize the efficiency of the "working-level visit" doing away with usual formalities that summit-level talks call for. However, when we consider the ongoing subtle development of the northeast Asian situation and the aggravated ROK-Japan relations, we can recognize to some degree its necessity, which Chongwadae insists on. The ROK and Japan reemphasized a cooperation between the two countries concerning the approach to North Korea and a shared a perception of need for the United States' sustained role in Northeast Asia. These give a significance to the ROK-Japan summit talks, anyway.

The government has said that the ROK-Japan informal summit talks aimed at exchanging opinions, not at resolving the pending issues. The Kyoto talks focused on exchanging opinions as the government said. We have an impression from the talks that our side presented more opinions than the Japanese side did. Noteworthy is the fact that of our side's opinions, in particular, the government reemphasized the importance of the triangular relationship among the ROK, the United States, and Japan. It also draws our attention that ROK diplomacy, which has been concentrated on the north until the ROK-PRC diplomatic relations are established, appears to return to its place.

However, what has changed in our diplomacy is that the ROK has a Russian card and a Chinese card. This new fact has some bearing on the reasons why the Northeast Asian situation has become subtle and why ROK-Japan relations have been bound up in a standoff. We are not sure about how much the ROK-Japan informal summit talks contributed to narrowing the two countries' gap in views. However, the government's northern policy undeniably brought about a diplomatic loss to southern diplomacy because of the way it promoted northern diplomacy. We have a mixed feeling because the government abruptly stresses the triangular relationship among the ROK, the United States, and Japan, in which they are pursuing the same value.

We are not sure about whether the holding of the ROK-Japan summit talks right after Bill Clinton was elected president was timely or untimely regardless of whether the talks were informal or formal. This is because the talks are likely to create another misunderstanding when we take into account the fact that a major target of the new U.S. Democratic Party administration which is placing economy before others is "attacking the Japanese market" and what the resultant relationship between "Clinton's United States" and Japan means. It is very fortunate that the two countries adopted no expression called "the ROK-Japan joint countermeasures".

If the ROK acts in concert with Japan from our worries over U.S. pressures on the trade issue, it will result in loss rather than profit. Nevertheless, the foreign press reported on the ROK-Japan joint countermeasures over the opening of the rice market. This is a very sensitive issue. Although the ROK, the United States, and Japan share a common perception of need for the U.S. role in security, they are acutely pitted against one another as far as economic issues are concerned. From this point of view, it is worth reviewing to strengthen the ROK-U.S. cooperative relations aimed at the Japanese market.

President No ought to carry out what has to be done diplomatically although the three months left until his retirement from the presidency are short. Accordingly, we think that President No has done what ought to be done. However, it should be noted that no more visiting diplomacy by him is needed since President No fulfilled his role for visiting diplomacy with the end of the ROK-Japan informal summit talks.

Summit Called 'Meaningful'

SK1011041292 Seoul THE KOREA TIMES in English 10 Nov 92 p 6

[Editorial: "Korea-Japan Summit"]

[Text] The Sunday summit between President No Tae-u and Japanese Prime Minister Kiichi Miyazawa was meaningful despite its brief, informal style. The two leaders exchanged views on the two neighboring countries' joint efforts to cope with the rapidly changing international situation rather than trying to solve bilateral issues.

The talks in the old Japanese city of Kyoto took place only 10 days before Russian President Boris Yeltsin's arrival in Seoul. And there were a series of major developments in international scenes that provide a significant backdrop to the Korea-Japan summit—the diplomatic normalization between Seoul and Beijing, President No's official visit to China, the reshuffle of the Chinese leadership, Japanese Emperor Akihito's China visit, and most recently Bill Clinton's election to the U.S. presidency.

One of the major issues in the summit was how the two East Asian countries should prepare themselves for the power transition in the United States to maintain the close triangular relationship, which has remained firm in the area of security but has shown serious cracks in trade.

Their spokesmen said that the two leaders shared the view that the American contribution and role maintaining peace and stability in the Asia-Pacific rim, particularly in Northeast Asia, should stay the same even after the change of the U.S. administration. But No and Miyazawa are believed to have discussed other subjects involving the country which historically is the closest Western ally for both.

The relations between Seoul and Tokyo, on the other hand, have not been especially smooth in recent days while each side was trying to improve ties with their respective neighbors—Seoul opening relations with Russia and China and Tokyo continuing negotiations with Pyongyang for diplomatic normalization.

With his term of office expiring in three months, No is known to have wanted to elevate Seoul-Tokyo ties to the same level they were before he vigorously pushed his "northern policy," which Seoul officials admit has resulted in neglected relations with Japan. He reportedly hoped to leave no burdensome diplomatic legacy to his successor.

Especially, there have been strains between the two countries over a few outstanding issues, namely the problem of Korean "comfort women" for the Japanese army during World War Two, the symbol of Japan's historical indebtedness to its Asian neighbors, and the still wide trade deficit suffered by Korea.

These issues, which unfortunately have not been addressed positively during No's tenure, were handled separately in talks between the two countries' foreign ministers Sunday. They ought to be dealt with by concerned officials in the days to come as an overnight solution cannot be expected although the top leaders exchanged sincere opinions.

On the subject of North Korea's nuclear development program, No and Miyazawa again made a joint call on Pyongyang to accept the longstanding demand for inter-Korean mutual inspections on the basis of the South-North accord in addition to the International Atomic Energy Agency inspections.

Noteworthy in this regard was No's request that Japan set the mutual inspections as a precondition for Tokyo's diplomatic recognition of North Korean and its economic cooperation for the North. Japan may seek to have flexibility in its deal with Pyongyang but the conversation in Kyoto could have convinced them of what is beneficial on a long-term basis.

Now, both Korea and Japan are much concerned about possibly mounting trade pressure to open their domestic markets with the arrival of Clinton in the White House. Yet the two countries have to be prudent in weighing any joint action to cope with the American moves as the three countries are confronted bilaterally with each other while both Korea and the United States suffer heavy deficits in trade with Japan.

All told, No has now culminated his summit diplomacy with his talks with the Japanese prime minister in Kyoto. This trip was criticized by some quarters here as neither vitally necessary nor urgent. Yet we hope the latest round of face-to-face discussion will help our next administration to cement friendly ties with the neighboring country.

SRV Envoy Comments on Arrival in Seoul

SK1011085192 Seoul YONHAP in English 0812 GMT 10 Nov 92

[Text] Seoul, Nov. 10 (YONHAP)—South Korea and Vietnam could start with economic cooperation and later develop ties in diplomatic fields for talks on regional political issues after the two countries normalize relations, Nguyen Phu Binh, head of the Vietnamese Liaison Office in Seoul, said Tuesday.

Vietnam welcomes all kinds of economic assistance from South Korea, especially in building infrastructure, Binh said at an airport interview upon arrival.

"There has been a time in the past when certain conditions put the people of our two countries at unease," the liaison office chief said, referring to South Korea's participation in the Vietnam war.

"But our people do not have hard feeling. We can overcome all difficulties through generosity and good feeling," Binh told reporters.

The 44-year-old diplomat will head the liaison office, a prelude to a full normalization expected soon. Binh graduated from Kim Il-song University in North Korea in 1970 just before he entered the Vietnamese Foreign Ministry and served another four years as an attache to the Vietnamese Embassy in Pyongyang.

Asked about the timing of Seoul-Hanoi normalization, he said "It is certain to be in the nearest future."

"The Vietnamese policy now is that of openness. We seek to establish friendly ties with all nations including South Korea," he said.

Commenting on Vietnam's ties with North Korea, Binh pointed out that Seoul and Pyongyang simultaneously joined the United Nations.

"I do not believe that there will be any problems," he said in a comment about the possible effect Pyongyang would have on Seoul-Hanoi diplomatic normalization.

But the diplomat refused to comment directly on the lucrative Big Bear Petroleum Development Project, saying "there is no timetable" on when Vietnam will choose the contract winner.

"The government told me to closely study South Korea's economic development experience and learn it well to apply to Vietnam," Binh said, stressing the need for economic cooperation.

Binh arrived with his wife Le Thieu Ngien, 43. He has two sons.

Businesses 'Streaming' Into Vietnam Markets

SK0811054192 Seoul THE KOREA HERALD in English 8 Nov 92 p 8

[By staff reporter Kim Su-yong]

[Text] Korean business leaders are streaming into Vietnam, one of the largest untapped markets in Asia, to look for business opportunities there, as the establishment of diplomatic ties between the two countries is considered only a matter of time.

Pak Tae-chun, honorary chairman of Pohang Iron and Steel Co. (POSCO), will leave for the Southeast Asian country for a 12-day business mission today to further economic cooperation between POSCO and his Vietnamese counterparts, a company spokesman said.

The company has already advanced into the country by investing $1.95 million to set up a joint-venture corrugated steel mill called Posvina.

Scores of executives from other business concerns will follow suit in the days to come, business sources said.

Korean firms have been reluctant to earnestly make a foray into Vietnam as the U.S. economic embargo against this nation still remains a stumbling block to the establishment of full-fledged ties between Korea and Vietnam.

The Korean government last August elevated the permissible amount of investments by Korean firms into Vietnam from $2 million to $5 million.

Korean investment is not large compared to other nations. Despite the U.S. embargo, Taiwan topped the list of foreign investments with $85 million, while Korea was ranked in ninth place.

Korean business companies and economic organizations are now making preparations for their advance into the Southeast Asian country in a more covert manner, even though the economic sanction is still in effect.

As an example, the Korea Trade Promotion Corp. (KOTRA), a state- invested trade body, is to sponsor a large-scale exhibition of Korean products in Hanoi in conjunction with the opening of its trade office in the Vietnamese city this month.

Until recently, the Korean government would not disclose the fact about its opening of a de facto trade mission in Ho Chi Minh City in late 1990.

Korea now has a liaison office in Hanoi, a kind of a quasi-embassy.

Yi Mun-sik, a fellow at the Center for Northern Area Studies, said, "The United States has dragged its feet in lifting the economic embargo against Vietnam though the latter has already met preconditions for its lifting, including the issue of soldiers missing in action during the Vietnam War, and it is now up to Clinton, who recently won the presidential election."

Large Korean conglomerates are unlikely to make a rush into Vietnam even after the rapprochement of ties between the countries, said the authority on Vietnam, adding that such firms have clandestinely conducted a feasibility study on large investment projects there.

Smaller firms are psychologically tempted to dash into this socialist country if such agreements as the avoidance of double taxation and investment guarantee are inked in the wake of the signing of full diplomatic ties, however, Yi noted.

The Vietnamese government wants Korea to make investments into such sectors as the heavy and chemical industries and civil engineering projects for the construction of infrastructure, he said.

Such industries favored by the Vietnamese side are certain to be promising areas for Korean firms in light of the competition with Japanese firms. However, Korean firms' large-scale investment in such areas will take considerable time because of risks involved, even after the establishment of diplomatic ties, the expert said.

A majority of Korean firms prefer to make inroads into such light industries as textiles, which are considered to be declining sectors in Korea because of the soaring labor costs. Many factories have wanted to relocate their facilities to Southeast Asian countries like Vietnam in the restructuring of their industries by capitalizing on the cheaper labor there, he said.

While staying in Vietnam, Pak is expected to discus large collaboration projects with Vietnamese firms, including those involving a color-coated steel mill with an annual capacity of 25,000 tons and a pipe mill with an annual production capacity of 30,000 tons, company officials said.

The business leaders who are scheduled to visit Vietnam include Yi Pil-kon, vice chairman of Sansung Co., Kim Tok-hwan, president of Ssangyong Corp., Yun Yong-sok, president of Daewoo Corp., U Tok- chang, president of Ssangyong Cement Co. and An Chun-hak, president of Korea Heavy Industries and Construction Co.

Yi of Samsung Co. and Kim Tok-hwan of Ssangyong will visit the country along with officials from the Ministry of Energy and Resources to make all-out efforts to participate in the planned Big Bear oil exploration project, company officials said.

Officials, IMF Team Hold Talks on Economy

SK0911020092 Seoul YONHAP in English 0103 GMT 9 Nov 92

[Text] Seoul, Nov. 9 (YONHAP)—A six-member International Monetary Fund (IMF) delegation began annual policy consultative talks on the Korean economy Monday with South Korean officials, a Finance Ministry spokesman said.

The policy meetings will continue through Nov. 20 with the Ministries of Finance, Trade and Industry, Construction, Agriculture, Forestry and Fisheries, Energy, and Resources and Labor Affairs, and other authorities concerned such as the Bank of Korea.

The IMF team will compile a report on the Korean economy based on their consultations with Korean officials for submission to the IMF board of directors in February next year, the spokesman said.

The IMF team is likely to advise the Korean government on the direction of, and timetable for, opening of the Korean financial market and its liberalization.

The government will work out a draft plan for the third-phase liberalization of the domestic financial market late this year, based on recommendations made by the IMF delegation and Korean research institutes.

The team, headed by Ulrich Baumgartner, assistant director of the IMF's Central Asia Department, arrived here Saturday and is scheduled to leave Korea Nov. 21.

Some World Bank officials visited from Sept. 22 through Oct. 2 and asked the Korean government to deregulate interest rates and open the financial market as early as possible.

Cultural Exchanges Protocol Signed With Germany

SK0611054992 Seoul YONHAP in English 0305 GMT 6 Nov 92

[Text] Seoul, Nov. 6 (OANA-YONHAP)—South Korea and Germany on Friday signed a protocol on cultural exchanges covering education, arts, broadcasting, sports and youth.

The protocol calls on the two countries to cooperate in correcting misinformation in school textbooks between education authorities and sets up exchange programs for scholarship and language students.

The agreement was signed at the Foreign Ministry at the four-day eighth meeting of the joint cultural commission, the first between South Korea and unified Germany.

Seoul officials said they expect broader access to information on German unification and plan to promote academic seminars for exchange of opinions.

The Korea Education Development Institute and Georg Eckert Institute will be responsible for seeking out and correcting inaccurate accounts of each other's country in school textbooks and encyclopedias, the officials said.

The next commission meeting will open in Germany in 1995.

Foreign Minister Departs for Austria, Belgium

SK1011051192 Seoul YONHAP in English 0354 GMT 10 Nov 92

[Text] Seoul, Nov. 10 (OANA-YONHAP)—South Korean Foreign Minister Yi Sang-ok left Tuesday on trip that will take him to Austria and Belgium to discuss trade issues with the European Community (EC) and to celebrate the centenary of Korea-Austria diplomatic normalization.

Yi will be the chief delegate to the eighth South Korea-EC high-level talks in Belgium Nov. 12, when the two sides will sign an arrangement for cooperation in science and technology.

The foreign minister will then head to Vienna, where he will meet with Austrian President Thomas Klestil, Prime Minister Franz Vranitzky and Foreign Minister Alois Mock to talk over bilateral issues.

The Korea-EC high-level meeting is expected to cover the Uruguay Round, North American Free Trade Agreement, the European economic area and the Asia-Pacific economic cooperation on top of bilateral trade.

Yi will return Nov. 15.

Inter-Korean Trade 'Nearly Devastated' by Tension

SK0911035692 Seoul YONHAP in English 0301 GMT 9 Nov 92

[Text] Seoul, Nov. 9 (YONHAP)—Trade between South and North Korea has been nearly devastated by growing tension and the virtual suspension of inter-Korean talks, a source at the Trade and Industry Ministry said Monday.

South Korea sold 221,000 U.S. dollars of products to North Korea on an approval basis in October, down 85 percent from the same period a year earlier, while buying 11.57 million dollars worth, down 32 percent, according to the source.

Two-way trade was 11.79 million dollars in October, down 36 percent from last year.

South Korea sold 10.42 million dollars worth of products to the North in January-October, down 27 percent, while buying 170.21 million dollars worth of products, up 28 percent.

The Korea Tobacco and Ginseng Corp. will soon, for the first time, buy 430 tons of North Korean leaf tobacco for 1.05 million dollars via a middleman in Hong Kong, the source added.

Collapse of DPRK-Japan Talks Reported

SK0711061992 Seoul YONHAP in English 0559 GMT 7 Nov 92

[Text] Tokyo, Nov. 7 (OANA-YONHAP)—North Korea's "pertness" caught Japan unaware, bringing the eighth diplomatic normalization talks to an abrupt close before the two sides even wet their feet.

Japanese officials did not expect an easy time, because of their demand for inter-Korean simultaneous nuclear inspection before Tokyo would consider upgrading relations with North Korea.

But they never expected the talks to break down over Yi Un-hye: who Tokyo claims Pyongyang abducted and used to teach Japanese to Kim Hyon-hui, who blew up a South Korean jetliner in midair in 1987.

The Pyongyang-Tokyo talks opened after a break of nearly six months, and despite the nuclear deadlock, Japanese officials had anticipated that North Korea would be softer than ever before in accosting them. After all, South Korea normalized ties in August with one of North Korea's staunchest allies, China, adding to Pyongyang's international isolation.

But Pyongyang was more aggressive than ever before. The North Koreans halted the working-level negotiations when the Japanese demanded an explanation on the Yi Un-hye case. The bickering also affected the main negotiation session, breaking it off far ahead of completion of its two-day schedule.

This was even more of a surprise considering that past talks had often been extended for another day.

Japanese Foreign Ministry officials, analyzing North Korea's reaction, say Pyongyang was apparently trying to earn time.

Pyongyang had probably decided that it needed more time to watch the changes in regional political conditions, such as the developments in Seoul-Moscow and Seoul-Beijing relations.

North Korea is undecided on how to counter Seoul-Beijing diplomatic normalization, one Foreign Ministry official said.

"There are those who advise against hasty improvement of relations with Japan and the United States," he said.

Pyongyang may have miscalculated that its ties with Tokyo would make rapid progress just by accepting nuclear inspections by the International Atomic Energy Agency (IAEA).

When Japan insisted that it also accept inter-Korean mutual nuclear inspection, North Korea apparently judged that the talks would not move as fast as it had expected and decided to throw the blame on Tokyo by reacting strongly to the mention of Yi Un-hye.

But officials here say that Japan will not change its mind about addressing the case in future talks.

Changes in U.S. Asia policies under President-elect Bill Clinton are most likely to affect North Korea-Japan diplomatic talks, casting uncertainties on the future of bilateral ties.

But they say Pyongyang will be unable to stay away too long. Total collapse of the North Korea-Japan talks would only worsen Pyongyang's already weak international position.

Paper Views Causes of Breakdown

SK0811102692 Seoul HANGUK ILBO in Korean 8 Nov 92 p 4

[Article by Tokyo correspondent Yi Sang-ho: "Why Were the DPRK-Japan Talks To Establish Diplomatic Relations Ruptured?"]

[Text] The eighth round of DPRK-Japan talks to normalize diplomatic relations which was held in Beijing after six months was eventually ruptured.

The talks were being held amid the rapidly changing situation in East Asia such as the establishment of diplomatic relations between the ROK and China, Russian President Yeltsin's upcoming visit to the ROK, and President No Tae-u's visit to Japan. There was much interest on whether the North Korean side would change its attitude in dealing with the problem of normalizing DPRK-Japan relations.

However, because of the North Korean side's dissatisfaction over the issue of the Japanese woman Yi Un-hye, a teacher of Kim Hyon-hui who blew up the KAL [Korean Airlines] plane, the talks were broken off on 6 November without even settling the date for the next round of talks.

Regarding the behind-the-scenes negotiations by the Japanese side, the North Korean side insisted on 6 November: "We will respond to the full-dress talks but we will not respond to the working-level negotiations dealing with the issue of Yi Un-hye."

The Japanese side was not able to hide its troubled situation and said: "We did not think that North Korea would come out this strongly on this matter." Therefore, Japan is noting that the North Korean side broke off the talks between the two countries under the pretext of the Yi Un-hye issue.

The Japanese Foreign Ministry is analyzing that it may be that North Korea is trying to buy time to observe changes in the international situation around its neighboring countries. It also views that the conflicting position between the reformists and conservatives within North Korea on various issues including the establishment of diplomatic relations between the ROK and the PRC have not been settled yet, and that it is the same with the issue of nuclear inspection. When the Japanese side delivered its side's firm policy on the nuclear issue right before the DPRK-Japan talks, it was learned that the North Korean side reacted by saying: "If this is the case, then there will be not much progress in the upcoming talks."

Another analysis is that North Korea's policy on Japan is changing.

On 5 November when the talks were broken off, the North Korean side read a prepared statement and walked out of the talks while ignoring the Japanese side's persuasion which lasted for about five minutes.

The Japanese side views that this was a planned act, and the DPRK side was well aware of how the Japanese side would react. It also views that there is a possibility that North Korea's attitude towards Japan could have basically changed after the seventh round of DPRK-Japan talks in May.

When the Tokyo delegation to promote Japan-DPRK friendship visited North Korea in September, Kim Yong-sun, secretary of the Workers Party of Korea, said: "North Korea's diplomacy will in the future be centered on Southeast Asia and the Middle and Near East. Therefore, there is no need to hasten the establishment of diplomatic relations with Japan."

This suggests that it will attach importance to improving relations with the U.S. rather than Japan. However, since diplomacy with the United States will be carried out on a full-scale in spring of next year when the Clinton government comes into power, it is being analyzed that North Korea is waiting to hold negotiations with Japan at that time, and that its attitude as such was revealed in the eighth round of talks.

Under this calculation the North Korean side is insisting: "Let us hold full-dress talks and not working-level talks." The Japanese side views that in the eighth round of talks North Korea was trying to blame Japan for the rupture of the talks.

Because of the rupture of the eighth round of talks, the Japanese side is saying that there should be a fundamental change in dealing with North Korea. In addition, it seems that it will be a long time before the next round of DPRK-Japan talks to establish diplomatic relations will take place.

* DPRK Joint-Venture Enterprises Profiled

932C0017A Pusan PUSAN ILBO in Korean 2 Oct 92 p 15

[Article by reporter Cho Kwang-tong: "Efforts Are Concentrated More on Products Made to Foreign Specifications than on Development of Own Brands"]

[Text] North Korea has 180 joint venture firms, 50 overseas and 130 at home. The Moranbong joint venture garment firm and the Pyongyang joint venture piano firm are the typical North Korean joint ventures. The Moranbong joint venture garment firm is the largest joint venture firms in North Korea, whereas Pyongyang joint venture piano firm is a medium size.

The reporter visited these two firms to meet with their managers and workers and see how the factories were operating.

At the Pyongyang joint venture piano firm, where about 300 workers are employed, a factory expansion project was under way when the reported visited.

A new building is under construction because the existing factory is too small. This firm was started three years ago with the investment made by second-generation Koreans residing in Japan. Four alumni of Korea University in Japan invested jointly $3 million to start the firm with a capital of $5 million dollars. Korea University is a school affiliated to the pro-DPRK General Association of Korean Residents in Japan (Chochongnyon). The first-generation Koreans in Japan affiliated with Chochongnyon are now aged and their scope of activity has shrunk. The second and third generations, on the other hand, are less interested in North Korea than the first generation. For this reason, North Korea is said to be soliciting investments in joint ventures from second and third-generation Koreans in Japan, with a view to maintaining ties with them. The joint venture piano firm is one of those companies operating with investments by Korean residents in Japan. Its investors—Cho Yong-nae, Chon Su-hyon, Kim Sang-kwon, and Chon Kwang-in—are Koreans in Japan in their 30's.

The piano firm, which manufactures pianos under the brand name "Paco," exported 1,500 of them to Japan last year for the first time. It sent the Paco piano to an international piano exhibition in Germany this past March, and the piano was rated highly by experts. As a result, 60 Paco pianos were subsequently exported to Germany for the first time. A paco sells for about $3,000 on the Japanese market. Choe Yun-son, vice president of the firm, said that his company will produce about 5,000 pianos this year.

Vice President Choe said, "the leader Comrade [Kim Chong-il] assigned us a goal of 10,000 or so pianos a year, but we have not yet reached this goal."

The workers are mostly young people, more males than females, and there are some Japanese with mustache. They have a 10-minute break twice a day, one in the morning and another in the afternoon, and a one-hour lunch break in between. Not all parts are produced in North Korea; some parts and coating material (lacquer) are imported from Japan. All wooden materials are produced in North Korea, and the wood used for the frame is spruce growing in Chagang Province. According to the company, "the timbre of the sound of our piano is rated the world's best."

Five board members manage the company, three from North Korea and two Korean investors from Japan. The posts of president and board chairman are held by the Koreans from Japan. As is the case with all other joint ventures, the board of this piano company makes decisions by a unanimous vote.

I raised the question: The system of unanimity may be acceptable as a decision-making system in collectivist society like a socialist state. But would the adoption of this decision-making system in joint ventures not pose a problem for foreigners, including the Korean executives from Japan, who are accustomed to managing their firms by a capitalist way of running business? A company official replied: "Inasmuch as the compatriots who made capital investments are the persons determined to contribute to the prosperity of the fatherland, there can be no friction." Nevertheless, he said, when no decision can be reached because of conflicting views, the leader Comrade [Kim Chong-il] will see to it that neither side will suffer a loss.

When asked if it is rather unreasonable for the management, which should give the first priority to the pursuit of profits, to have this kind of thought, the company official gave this reply: "Making money is not our foremost goal in operating a joint venture piano factory; our purpose is to secure pianos for the workers so they can use them for their cultured pastime and entertainment." "It is our profit," he added, "if they make the best use of their pianos, and students learn music well."

Vice President Choe, 57, who assumed his current position this year while working as the head of an art troupe, said that there is no difference between managing an art group and managing a factory, and that his company has earned no profit so far, but our goal is to make a profit this year.

Claiming that the North Korean piano has a better quality than the Samik or Yongchang piano in the South, Choe said, "this is not my subjective opinion but an objective appraisal by other experts."

The Moranbong joint venture garment farm, which was put into operation four years ago, is the largest joint venture firm in North Korea. About 800 workers are at work there, and most of them are women. They responded to my questions very briefly, probably because they were very busy.

Guidance Worker Yi Su-ryon at the business department, who acted as a guide, even asked the reporter to refrain from asking questions at the sewing shop. The guide explained that the whole factory is operating under an assembly-line system, and if one person fails to perform his task on time, others will have to wait with nothing else to do. Yi further said that if one person fails to finish his assignment for the day, it will hamper the whole operation.

It is common in this factory for each work team to be charged with one "assembly-line process." Each work team is assigned a set amount of piece work, and the production figures are tallied at the end of the day's work. When the daily assignment is overfulfilled, the work team receives a cash reward, which is jointly divided among all the members of the work team. The wage level of the workers is about 130 won ($65) a month.

This company, which produces blouses, suits, and jumpers, exports about 350,000 pieces of garments to Japan a year, tens of millions of dollars' worth.

When the company receives the design of the latest faction from Japan, it figures out the cost and sets the price and then receives an order for a certain quantity on the basis of the set price.

Instead of developing its own brands for export, the company currently adopts the method of manufacturing products according to the specifications provided by foreign importers and exporting them. Most raw fabrics are imported from Japan.

In the case of men's suit, the factory price ranges from 15,000 won to 20,000 won a pair, and the suit sells in Japan for between 30,000 yen and 40,000 yen.

The quality of the products was only about 60 percent as good as the comparable Japanese products in the early period, but now it is rated 90 percent as good as Japanese products. At the beginning, some of the exported goods were returned because of the defective quality, but there are practically no claims now. A company official said that it is the policy of the Moranbong joint venture garment factory to win trust by improving the quality and meeting the deadline for delivery. To improve skills, the workers are doing their best to learn from the Japanese technicians, and when the daily work is finished, they hold an appraisal meeting to discuss mistakes and ways to correct them. The workers—most of them are higher middle school (high school) graduates—receive specific grades in skill according to their ability, and when they pass a test for a higher grade, their wages go up accordingly. Many of the sewing workers are graduates of a two-year garment special school, whereas about 40 of the technicians are graduates of a four-year garment college.

Three board members are in charge of the company's operation. Two of them are North Koreans, and the other is a Korean resident from Japan. The chairman of the board and the company president are from the Chongnyon side. Usually, the president stays in Japan exploring the Japanese market, while a North Korean vice president and another vice president, a Korean from Japan, actually manage the company. Yi Su-ryon, the guide, said the company began to make a profit last year, the third year of operation. Yi said, "we have reached the world-class level in the garment field," and proudly added, "our products will dominate the world market in the future."

Prime Minister's First Month in Office Reviewed

SK0911062592 Seoul YONHAP in English 0521 GMT 9 Nov 92

[Text] Seoul, Nov. 9 (YONHAP)—Hyon Sung-chong, picked by President No Tae-u to lead a politically "neutral" cabinet to manage a fair presidential election, is generally assessed to have lived up to the people's expectations after one month in office.

In a move unprecedented in the constitutional history of any democratic nation, the 66-year-old former law professor was sworn in as prime minister Oct. 8 and swore to the people that his cabinet and all the government officials would help to hold the December election from a "strictly neutral" standpoint.

The government would do its utmost to realize "a fair and clean" election by maintaining preventive measures and control against illegal electioneering and violation of the election law, he said.

In his first administrative directive on Oct. 15, Hyon told all public servants to remain absolutely neutral in political affairs and not to get involved in electioneering. Anyone violating his directive would be sternly punished according to the law, he said.

At the same time, he stressed that no administrative vacuum should be created by the political agenda in the election year. He instructed his cabinet ministers to carry out their major administrative tasks without interruption.

In assessing Hyon's performance as the no. 2 administrator of the nation, observers say the government tried hard to maintain law and order, especially in its crackdown on illegal late-night operation of restaurants, bars and cafes, destruction of the so-called greenbelt preservation zone, and drunken driving and other traffic violations.

But the question of whether Hyon's strong intention and desire could be carried out effectively in practice remains to be seen.

Some pessimists point out that Hyon took over the helm of the No administration with less than four months to go. Moreover, Hyon has no "roots" in the nation's bureaucratic and political establishments. His pulling power in these areas is limited and it is difficult, therefore, to reflect his intention in administrative policy immediately.

A senior government official who has assisted Hyon since his appointment said Hyon seemed to think that the power of a prime minister under the presidential system of government was much bigger than it actually is.

It is true that the Hyon cabinet has not received any complaint from the presidential candidates of major political parties on the question of neutrality.

But a slight suspicion arose on his avowed neutrality at the National Assembly, especially in the Democratic Party, when he made a comment on the North Korean spy ring. In an interview with a newspaper, Hyon said there were quite a few politicians who had contacts with the North Korean spy ring.

While the Democratic Liberal Party and the United People's Party pressed the government to announce the result of an official investigation into the spy scandal at an early date, the Democratic Party criticized him for making the statement "with a political intention."

Hyon later clarified his position by saying that he had inadvertently made the remark while he was not completely acclimatized to politics. The episode, if anything, proved to Hyon and others how difficult it was to maintain neutrality in the political circle.

The Hyon cabinet's neutrality will come to further and much more strenuous tests as soon as the political parties start campaigning in earnest for their candidates with the posting of the election date.

Even a slight campaign-related mishap will reflect on the government and raise questions about the neutrality and fairness of the government and Hyon himself.

In any event, one of his close aides said there was no question about Hyon's integrity as a neutral administrator and his desire to carry out a fair presidential election.

Despite his age, he works so hard these days that much younger officials surrounding him are having tough time following his orders, the official said.

Premier Warns Parties on 'Illegal Electioneering'

SK1011074292 Seoul YONHAP in English 0527 GMT 10 Nov 92

[Text] Seoul, Nov. 10 (YONHAP)—Presidential candidates and their parties were putting their heads together Tuesday to work out new campaign strategies after Prime Minister Hyon Sung-chong issued one of his strongest warnings yet against illegal electioneering.

In an official letter to the major political parties, Hyon said Monday that if the candidates continued with their illegal campaigning, the government would have no choice but to prosecute all of them according to the law.

Ignoring repeated warnings by the Central Election Management Committee and the government, the candidates and political parties have engaged in obvious election campaigns for weeks, visiting factories and gatherings of professional and civic leaders and delivering speeches at assemblies of all stripes.

Under the nation's current election law, campaigning among prospective voters is prohibited before the Central Election Management Committee posts the polling date, usually one month ahead.

In a separate development, Yun Kwan, chairman of the Central Election Management Committee, sent a letter to Pak Chun-kyu, speaker of the National Assembly, seeking his cooperation in discouraging representatives from undertaking illegal electioneering.

There was a strong possibility for representatives to do so, Yun said, since the National Assembly is to adjourn this week and they will head for their constituencies.

The three parties held separate press conferences Tuesday morning and welcomed—at least outwardly—what they said was the prime minister's "neutral" position on the issue and promised to abide by the law hereon.

However, friction between the government and political parties is expected to continue over the finer points and interpretations of the law with regard to illegal electioneering, sources said.

All parties are determined to force their "borderline" campaigns despite the warning, the sources say.

Upon receiving Hyon's letter, Kim Yong-sam of the Democratic Liberal Party [DLP] sent out an official notice to all 237 chiefs of the party's local chapters, instructing them to "take the lead" in a fair election campaign.

Kim also instructed a private organization and its members to refrain from doing any activities until they are absorbed by the Democratic Liberal Party. The organization, the Democratic Alpine Club, had been warned by the authorities for illegal electioneering.

Following a meeting of seven key officials of the party's election campaign management committee, DLP spokesman Pak Hui-tae told reporters that illegal electioneering was mostly official interference in the past but now consisted mainly of bribery and other forms of vote-buying.

Pak then urged Hyon's "neutral" cabinet to help carry out "revolutionary electioneering" by stamping out corruption.

The DLP said it had decided to follow the instructions of the Central Election Management Committee and stop Kim Yong-sam's visits to marketplaces, campaign pledges and outdoor rallies.

The Democratic Party also welcomed Hyon's warning, which it said was a manifestation of the determination of his "neutral cabinet" to realize a fair and clean presidential election.

But it said candidate Kim Tae-chung's current bus tour of provincial cities would continue.

Talking to reporters in Pusan, Kim Tae-chung said that he well understood Hyon's difficulties and highly evaluated his determination to hold a clean election.

"Our party will actively support and cooperate for the realization of his goal," Kim said.

As a result of the formation of Hyon's neutral cabinet, fear of official interference in electioneering had diminished, Kim said, but added that campaigning was already showing signs of corruption because of the large amounts of money being spent by other political parties.

Hong Sa-tok, the party's spokesman, said, however, that despite the warning by the prime minister it was desirable for the candidates to contact voters as much as possible.

With that belief, he said, the Democratic Party's candidate would keep contacting voters within the bounds of the law, indicating that Kim Tae-chung will continue his campaigning.

Chong Chu-yong of the United People's Party thanked Hyon for his efforts to hold a fair election, but said it appeared that government officials in their role of watchdogs were carrying out their duties in a somewhat biased manner.

Chong said he would not lodge any complaints at this stage, but his party would keep its eyes on them.

Brunei, Malaysia & Singapore

Malaysia

Detained Tourists Released by U.S., Return Home

BK0711084692 Kuala Lumpur Voice of Malaysia in English 0600 GMT 7 Nov 92

[Text] Some of the 24 Malaysian tourists who were detained by American authorities in Boston returned home this morning. Among them are a newly married couple. They were received on arrival at the Kuala Lumpur international airport by members of their families.

Asked on how they were treated by the American authorities, the husband said it was no good and declined to further comment. He said he will tell their story later.

It is understood that all of them, including their tour leader, have either returned to Malaysia or are on their way back. They were put on different flights and flying home by different routes.

Editorial Criticizes U.S.

BK0811122692 Kuala Lumpur NEW STRAITS TIMES in English 6 Nov 92 p 12

[Editorial: "A Tour Gone Awry"]

[Text] The plight of 25 Malaysian tourists detained when they landed at Boston's Logan Airport on 21 October is getting "curiouser and curiouser" by the day. What was supposed to be a pleasant nine-day tour of the country has turned into a nightmare for 24 of the detainees all because the tour leader was suspected of attempting to smuggle two members of the group into the United States and a few of them may be needed as witnesses.

What has turned an allegation of an ordinary breach of the law into a contentious issue is the questionable treatment of the tourists by the U.S. Immigration and Naturalisation Service (INS). A defence lawyer for one of the detainees maintained that the detention was unconstitutional as they have not been produced before a court and formally charged. He also questioned the right of the U.S. Government to detain the Malaysian tourists who hold valid travel documents without charging them with a crime.

Now the U.S. Ambassador to Malaysia, Mr. John Wolf, has confirmed that in this particular case, the U.S. authorities have breached the country's consular agreement with Malaysia in not immediately informing the latter's mission in Washington about the detention although they were obliged to do so under the agreement.

Quite apart from the violation of legal rights of the Malaysians there is the question of the treatment received by them while in detention. Discounting the physical discomforts under such circumstances, there is the allegation that the agents of INS applied undue pressure to get a "confession" from at least one of them that she was coming to the U.S. not as a bonafide tourist but to work as a prostitute.

Before anyone dismisses this incident as an isolated overzealous action of a few officials, it should be remembered that it is an act of the government of a country which professes to be the world policeman and very quick to condemn others for mere allegation of human rights violations. One has a right to expect exemplary conduct from it and what has transpired certainly is not behaviour worthy of a human rights champion.

As the prime minister has rightly pointed out the manner of the treatment meted out is something which will not be tolerated here. We do not treat even foreigners who enter Malaysia illegally in such a way even though a million of them are here.

There is also the nagging worry that this is yet another manifestation of the latent racist attitudes prevalent in the country. Lest one may be accused of being paranoid for entertaining this possibility, an executive director of the Asian American Resource Workshop in Boston said as much and he went so far as to say that had the tourist group come from a European country such an incident could not have occurred. Lawyers involved in the case echoed the same view.

The latest word on the above incident is that all the innocent Malaysians will be released shortly after formalities are completed. But the question remains—what can a future traveller to the U.S. do to avoid such a fate?

It appears that however great the care one exercises to keep out of trouble, it is up to the INS whether or not to admit a visitor as the local U.S. Embassy announced that a visa issued by the embassy does not ensure entry into the country. In the light of this incident, what guarantee does one have that the INS will act fairly and not abuse its power? Our Ministry of Foreign Affairs should do the necessary follow-up.

Australia Urged To Understand Development Needs

BK1011104192 Kuala Lumpur BERNAMA in English 0947 GMT 10 Nov 92

[Text] Kuala Lumpur, Nov 10 (OANA-BERNAMA)—Malaysian Minister of Science, Technology and Environment Law Hieng Ding has urged developed nations like Australia to understand the needs of a developing country like Malaysia.

In an interview with an Australian television network, Law said countries like Malaysia needed to have a balanced economic growth and environmental policy in order to maintain sustainable growth in meeting national aspirations.

In this respect, he felt that Malaysia's stand on forest protection and management was being better understood by western non-governmental organisations, a statement issued by Law's office here said Tuesday.

Law is in Australia on a 10-day visit from last Tuesday, at the invitation of the Australian Government.

He met the Australian Minister of Arts, Sports, Environment and Territories Ros Kelly and Minister of Industry, Technology and Commerce Senator John Button.

Their discussions centred on areas of common interest such as scientific and technical co-operation, meteorology and biotechnology, in particular tissue culture, for conservation of forest species, and toxic and solid waste management.

Chilean President Arrives for Visit 10 Nov

BK1011062092 Kuala Lumpur BERNAMA in English 0333 GMT 10 Nov 92

[Text] Kuala Lumpur, Nov 10 (OANA-BERNAMA)—President Patricio Aylwin Azocar of Chile arrived here Tuesday for an official visit, the first by a Chilean head of state to Malaysia, accompanied by a high-powered entourage.

The president's 140-member party included three ministers, one deputy minister, four parliamentarians, a business delegation, and newsmen.

Aylwin and his wife, Leonor Oyarzun de Aylwin, were received by Malaysian Prime Minister Dr. Mahathir Mohamed and Dr. Siti Hasmah.

The president whose four-day visit is at the invitation of the Malaysian king, Sultan Azlan Shah, later proceeded to Parliament square where he was accorded a ceremonial welcome.

The visit is seen by the Malaysian Government as one that would further enhance the existing bilateral relations between the two countries, particularly in trade and [economic] cooperation.

Accompanying Aylwin are Foreign Minister Enrique Silva Cimma, Minister of Economy Jorge Marshall, Minister of Transport and Telecommunications German Molina, and Deputy Minister of Finance Jorge Rodriguez.

Aylwin is also slated to meet with Dr. Mahathir for talks and attend a briefing by the Economic Planning Unit of the Prime Minister's Department.

Authorities Detain 10 Thai, 2 SRV Fishing Boats

BK1011062492 Kuala Lumpur BERNAMA in English 0322 GMT 10 Nov 92

[Text] Kuala Lumpur, Nov 10 (OANA-BERNAMA)—Ten Thai fishing boats and two Vietnamese boats were detained in waters off the east coast of peninsular Malaysia in an operation which ended Tuesday.

Also detained in the operation, codenamed "Ops Samudera Gagah" which began on Oct 31, were 56 Thai crew and 21 Vietnamese.

The operation, the second conducted by the Maritime Enforcement Coordination Centre (MECC) this year, involved 10 boats and 370 men from various government agencies.

Operation officials said all, except an underaged Thai crew, were fined a total of MR [Malaysian ringgit] 9.45 million (about U.S. $3.78 million) in default 147 months jail. They are being held in an open prison in the northeastern Terengganu state.

The underaged Thai crew was released after being given a warning, Tuan Hashim. [sentence as received]

Seven such operations had been conducted since 1985, involving the Royal Malaysian Navy (RMN), Royal Malaysian Air Force (RMAF), Fisheries Department, Police Air Wing, and Department of Civil Aviation.

A total of 93 foreign fishing vessels and 630 crew have been caught in Malaysian waters since the beginning of this year.

The fishing boats were from Thailand (60), Indonesia (eight), Vietnam (six), Singapore (five), and China (four).

Fines imposed on the detained fishermen totalled MR 33 million (about U.S. $ 13.2 million).

Plutonium Ship 'Unlikely' To Use Melacca Strait

BK1011093192 Kuala Lumpur BERNAMA in English 0759 GMT 10 Nov 92

[By Jamaluddin Muhamed]

[Text] Kuala Lumpur, Nov 10 (OANA-BERNAMA)—A Japanese ship carrying plutonium from France to Japan is unlikely to use the Strait of Melacca, according to a Malaysian official.

Dr. Ahmad Sobri Hashim, director general of the Atomic Energy Licensing Board (AELB), said this was based on the Japanese Government's indication that the ship, Akatsuki Maru, would keep a 200 nautical mile distance from any coastline.

As the Strait of Melacca was only 32 nautical miles wide at its narrowest point, it was unlikely that the vessel would use the waterway, he told BERNAMA, Tuesday.

He also said that the congested straits was an accident-prone area and it was not safe for the ship to use it.

The Akatsuki Maru, carrying 1.7 tonnes of the highly radioactive plutonium, left the French port of Cherbourg last Saturday bound for Yokohama. The cargo is the first of several shipments totalling 30 tonnes to be transported to Japan over the next 30 years.

A patrol boat, Shikishima, packing two 35-mm machine guns and two Vulcan anti-aircraft guns, is escorting the Akatsuki Maru while two boats of Greenpeace, an international environmental organisation, are reportedly shadowing the vessel.

Malaysia, Indonesia and Singapore, littoral states of the Strait of Melacca, had joined scores of countries around the world to protest the shipment of the plutonium and had asked Tokyo to keep the ship away from their territorial waters.

Dr. Ahmad Sobri said Malaysian authorities would finalise by Saturday and submit to the cabinet a contingency plan to address any accident in the straits should the Akatsuki Maru decide to use the waterway.

AELB heads a multi-agency panel dubbed the emergency response group set up by the cabinet recently to monitor the movement of the ship and draw up the contingency plan.

Singapore

Finance Minister Defends Strong Currency Policy

BK1011092792 Singapore THE STRAITS TIMES in English 9 Nov 92 p 56

[Text] The Singapore dollar would have been even stronger now, if not for the intervention of the Monetary Authority of Singapore [MAS], Finance Minister Dr. Richard Hu has disclosed.

What the Government is trying to do is to moderate the rise of the local currency, said Dr Hu, who is also the MAS chairman.

"The MAS' role is to try and moderate this natural rise, instead of resisting it," he said in an interview released to the press over the weekend.

The interview was carried in the inaugural issue of "Fiscal", a bi-annual newsletter published by his Ministry's Revenue Division.

Responding to another question, Dr Hu, who is also National Development Minister said that with an ageing society, the biggest problem as far as fiscal management of Singapore is concerned, will be the reduction in the traditional source of revenue namely income tax.

"We are therefore looking at structural reforms to our tax system to incorporate a generalised tax on goods and services," he said.

His comments follow a call last week by former Cabinet minister Dr. Tony Tan, who is now chairman and chief executive officer of OCBC [Overseas Chinese Banking Corporation] Bank, that income tax could be lowered as Singapore moves progressively away from taxing income to taxing expenditure through a value-added tax or a tax on goods and services.

On local exporters' concern over the strong Singapore dollar—which has risen some 24 percent against both the U.S. dollar and the Malaysian ringgit since January 1988—Dr. Hu said that businessmen are generally more concerned with the immediate future.

This was because a strong local dollar will affect their exports especially to weak currency destinations.

"If we are to keep everyone happy, we will have to weaken the Singapore dollar. While this may relieve short-term ills, in the long term, it will turn around and bite you back."

Besides, most economic models show that the benefits of a weaker currency dissipate in about two years, said Dr. Hu. "By then, damage will already have been done to the economy. You are locked into a wage inflation situation which is very difficult to change."

This is because while a weaker currency will initially lead to increased demand for Singapore exports, wages will also rise as the initial expansion would also lead to greater demand for labour, which is already tight.

With a weaker currency, prices of imports will also be higher. And because Singapore exports have a higher proportion of imported inputs, the benefits of a weaker currency will be nullified in a short time, he said.

The proper course of action for local exporters, recommended Dr. Hu, is to follow exactly what the Japanese did a few years ago when their currency appreciated tremendously—that is, cut costs by upgrading their workforce and investing heavily in technology and automation.

Cambodia

U.S. State Department Official Arrives for Visit

BK1011071692 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0700 GMT 10 Nov 92

["Latest news"]

[Text] Mr. Kenneth Quinn, U.S. assistant secretary of state, arrived in Phnom Penh for a two-day official visit to Cambodia at 1050 on 10 November.

During this visit, Mr. Quinn will hold talks with His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP], chairman of the National Assembly, and chairman of the Front's National Council; H.E. Hun Sen, vice chairman of the CPP and chairman of the State of Cambodia [SOC] Council of Ministers; H.E. Hor Namhong, SOC minister of foreign affairs; and several officials of the UN Transitional Authority in Cambodia.

Greeting Mr. Kenneth Quinn at Pochentong International Airport, among others, were Mr. Long Visalo, SOC deputy minister of foreign affairs, and several

Foreign Ministry officials. Second secretary of the U.S. Embassy to Cambodia Mr. Bruno was also present.

Akashi Remains 'Optimistic' About Settlement

BK0911124792 Phnom Penh PHNOM PENH POST in English 6-19 Nov 92 pp 4, 5

[Interview with Yasushi Akashi, the special representative of the U.N. secretary general, by PHNOM PENH POST correspondent Caroline Gluck in Phnom Penh on 23 October, the first anniversary of the signing of the Paris Peace Accords]

[Text] Phnom Penh Post: Mr. Akashi, it's been a year since the peace agreement was signed in Cambodia. What's your assessment of the progress so far?

Yasushi Akashi: The Cambodian peace agreement still provides the basic framework for political dialogue and negotiation among the factions in Cambodia. Of course different factions present divergent interpretations of the peace agreement, so implementation by the U.N. of the agreement is not so easy. But I think, nevertheless, that our strength, our advantage in Cambodia is that we have at least this underlying agreement, while in many other parts of the world, a peacekeeping operation is launched without this basic political framework. We are fortunate to have it.

Post: The Khmer Rouge—or the Party of Democratic Kampuchea—have refused to comply with the second phase of the peace process, the disarming and demobilization of their troops, and they are also refusing to let U.N. personnel into areas of the country under their control. How much does this threaten the whole peace process?

Akashi: I think there is no doubt that it constitutes a threat and challenge to the whole peace process and to the prestige also of the United Nations. But I think that the great majority of Cambodians do not share the views of the DK [Democratic Kampuchea], and the U.N. Security Council is working very hard, as you saw from its most recent resolution, which judiciously combines the pressure of going ahead with the planned elections by next May at the latest, and at the same time, keeping the door open for further negotiation and dialogue with the DK. I think this is the only way to proceed, combining carrots with sticks, in a way.

Post: What more can you do to bring the Khmer Rouge back on board with the whole peace process?

Akashi: As you know, countries which used to be very friendly to the DK, like China and Thailand, are trying their best to persuade them to come back to the peace process. We need their help, we need persistent efforts by the Security Council, and we need a united attitude on the part of other Cambodian factions. I'm glad three factions and the president of the SNC [Supreme National Council], Prince Sihanouk, consistently and fully support the efforts of UNTAC [UN Transitional Authority in Cambodia] and on the basis of this kind of good partnership, I'm sure in the end we'll prevail—the DK has to come into the fold I think.

Post: The Security Council has set a deadline of Nov. 15 for the DK to come on board. What will you do—what can you do—if that deadline passes with no results?

Akashi: The Security Council asked the Secretary General to prepare a report on further steps to be taken to resolve this impasse. I cannot answer you as to what these steps or measures might exactly mean. It may contain a series of diplomatic, political and economic steps—both within Cambodia and from outside of the country—but I cannot go beyond that.

Post: How long can the peace process continue without the cooperation of the Khmer Rouge? I understand that you've now said you're considering freezing the demobilization of the troops of the three other factions, if the Khmer Rouge continue to not go along with Phase II.

Akashi: I think, contrary to the original plan of the United Nations—which was to start the electoral phase after the phase of cantonment and demobilization—these two phases might run parallel with each other.

In other words, before completing cantonment and demobilization you have an electoral process which in effect has already begun with very active, massive registration of Cambodian voters—I am delighted to see this.

It will not be a perfect election or campaign as was originally envisaged, but I think it will be as good an electoral process as you have seen in the Asian context in the past. And we'll be very vigilant—we are launching all kinds of informational and educational campaigns. I think even within the present difficult environment the elections will be a firm beginning of democracy in this country.

Post: But will those elections go ahead without the participation of the Khmer Rouge?

Akashi: That's the idea, yes. We only hope that there will not be physical or military hindrance by anybody to this electoral and democratic process.

Post: If the Khmer Rouge still refuse to go along with the peace process and the elections take place, how much longer do you think the U.N. will have to maintain a presence in Cambodia?

Akashi: Even if the DK does not participate in the election for the Constituent Assembly, it is possible that the Security Council may make special arrangements, by way of by-election or partial election in the DK-controlled area if they decide to come into the process at the election stage.

But three months after the elections, the U.N. mandate terminates. Within those three months a new constitution is to be adopted and a new government will come into being, so by August or September UNTAC's mandate expires. I don't think the U.N. can sustain such a large and expensive operation.

But I can detect a very strong prevailing sense from Cambodians that they are anxious to have some kind of a U.N. presence, so that whatever possible legacy left by UNTAC will not come to naught.

I'm sure the Security Council will take heed of such a desire and there will be some U.N. presence, whose character and scope are yet to be determined.

Post: Are you optimistic that peace will finally come to Cambodia?

Akashi: I am basically very optimistic. I think there is no other alternative than peace. I see deep longing among Cambodian people for peace and respite from two decades of constant fighting. So I think peace ought to come despite the difficulties. The mutual distrust and mutual hostility of two decades will not disappear soon, but we have to continue trying. I would not be here unless I were confident of the success of our endeavors. We have to be patient and have to be persistent.

Khieu Samphan Rejects Elections Without KR

BK0911123192 Phnom Penh PHNOM PENH POST in English 6-19 Nov 92 p 5

[Interview with Party of Democratic Kampuchea President Khieu Samphan by Phnom Penh Post correspondent Nate Thayer at the Khmer Rouge compound in Phnom Penh; date not given]

[Text] Phnom Penh Post: What's your assessment of the status of the peace process, one year after the signing of the Paris peace accords?

Khieu Samphan: Two key agreements have yet to be implemented. First, [there's] no control or verification of the withdrawal of Vietnamese forces from Cambodia. Secondly, agreements on the role of the Supreme National Council (SNC) have not been implemented.

We know that these two issues are interrelated. We have to have the SNC play a role; if the SNC has no role to play UNTAC [UN Transitional Authority in Cambodia] will cooperate with the Phnom Penh regime. That is why UNTAC uses the phrase "pragmatic necessity," which means UNTAC relies on the Phnom Penh regime to implement the Paris accords.

How can UNTAC exercise the control and verification of the withdrawal of Vietnamese forces under these circumstances? Actually the Vietnamese forces, soldiers, officers, advisors and experts are the ones who maintain this regime in place. These Vietnamese forces are now in place to maintain the puppet army, secret police, and administrative apparatus.

If UNTAC relies on the Phnom Penh regime, UNTAC will not be able to find these forces, so this is the cause of the current deadlock. If we do not tackle the root cause of the current deadlock, we will not be able to break this deadlock.

Post: UNTAC may decide to hold the elections without the participation of the Party of Democratic Kampuchea [PDK]. What will it take for the PDK to join in the electoral process?

Khieu: As far as the election is concerned, if they have a plan to hold the election without the PDK, is this in accordance with the Paris agreements? What will the result of such elections be? The Vietnamese forces are still in Cambodia.

Such elections would offer Cambodia to the Vietnamese; this [all] the Cambodian people in Cambodia and living abroad will not accept.

So the question is whether UNTAC is going to hold the election without the participation of the PDK or implement the Paris agreement in its entirety. Such elections without the participation of the PDK run counter to the Paris agreement and we will oppose it.

Post: How do you assess the economic and security situation in Cambodia at present?

Khieu Samphan: Now everybody is talking about the corruption of [the Phnom Penh] regime being on the increase, and the riel has lost its value. The devaluation of the riel has created problems within all strata of the Cambodian people—between the poor and the Phnom Penh regime, state employees and the Phnom Penh regime, and soldiers of their own regime.

When UNTAC is trying to come to the rescue of the riel, this will only create problems between the Cambodian people and UNTAC.

[With] corruption and the devaluation of the riel spreading, this is a situation that creates more problems.

The Cambodian people are suffering. What will their reaction be to a situation where they see no hope? Anarchy perhaps, but the situation is they oppose the Vietnamese regime.

Let me turn to a specific problem: banditry. There are indeed elements not under any control. There are elements of the Phnom Penh army they cannot control. But [also], there is organized banditry by the Vietnamese and the Phnom Penh party.

How can we resolve this problem of banditry if the SNC continues to be denied its role? If the SNC is given its role, the Cambodian people [would] join the SNC in opposing banditry. Otherwise it will increase.

I think in any country where you have a government that is not supported, you will not be able to control banditry.

Post: How do you respond to charges that the Khmer Rouge [KR] blew up two bridges in Kompong Thom last month and is launching a dry season offensive?

Khieu Samphan: These accusations are not true.

Last year during the 14th dry season, during the whole dry season, the Vietnamese launched military operations against our forces—now they are doing the same in Battambang, Pursat, Routes 6, 21, 7.

During the 15th dry season there might be complicated problems. As the Vietnamese launch military attacks against our forces we will be compelled to fight back.

Post: Do you think that the peace accords are in danger of collapsing, returning Cambodia to a state of civil war?

Khieu Samphan: There is no peace now—the situation is the same as before [the signing of the Paris accords].

If they [UNTAC] have no political objective to get rid of the PDK, they will implement the Paris accords on the role of the SNC. Other measures to try to avoid giving the role to the SNC would not resolve the problem, and would be tantamount to trying to get rid of the PDK.

I am speaking very frankly here; if they try to do this, it is an abandonment of the Paris accords. We will not accept this. We should not underestimate or overlook the reaction of the Cambodian people.

I have told [UNTAC chief] Akashi very clearly if you try to paint a situation [of optimism that the peace plan is succeeding], you won't change the situation. I also try to convey that I am trying to cooperate with UNTAC.

I agree with you that we are on very dangerous ground. We are at an unpredictable juncture. I cannot say I am optimistic or not [but] whoever does not implement the Paris agreements will encounter problems. They will increase the problems themselves.

There might be the possibility of anarchy by Cambodian people who might explode against the Vietnamese settlers themselves because of land stolen from the Cambodian people.

To sum up, UNTAC alone cannot control and verify the withdrawal of the Vietnamese forces and resolve the problem of crime in the cities, because of lack of support from the Cambodian people.

So far, [UNTAC] has tried to help the Phnom Penh party. As to when they will see that what they are doing is not working, I hope it will be soon. We hope that UNTAC will [realize that] before it is too late.

Khmer Rouge Say UNTAC Staffers Run Brothels

BK0711093392 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 6 Nov 92

[From the "News in Brief" feature]

[Text] People in Phnom Penh say UNTAC (UN Transitional Authority in Cambodia] is obsessed with Vietnamese women and has neglected the Paris agreement. Sources in Phnom Penh say UNTAC staffers in Phnom Penh are competing to win Vietnamese mistresses. People in Phnom Penh say some UNTAC leaders even run Vietnamese brothels. They say UNTAC staffers are preoccupied with Vietnamese women and for this reason have not implemented the Paris agreement; not checked Vietnam; and deprived the Supreme National Council of a role, rights, and power, and cooperation with UNTAC to correctly implement the Paris agreement.

Some UNTAC leaders have instead brought diseases to kill the Cambodian people. The people also say UNTAC staffers are obsessesd with Vietnamese women; this is why they have not implemented the Paris agreement. In such a situation our Cambodia will become a second Kampuchea Kraom [former Cambodian territory now part of southern Vietnam] because of the work of Vietnamese women. However, the people in Phnom Penh say that this time around present-day Cambodia will absolutely not be allowed to become a second Kampuchea Kraom.

'Suspected' KR Forces Shell UN Observer Post

BK0811143892 Hong Kong AFP in English 0815 GMT 8 Nov 92

[Text] Phnom Penh, Nov 8 (AFP)—Suspected Khmer Rouge [KR] forces shelled and shot at a U.N. observer post near Cambodia's border with Thailand, a U.N. spokesman said Sunday.

The attack took place Saturday just after midnight, hours before talks were to open in Beijing on ways to salvage the U.N.-brokered Cambodian peace plan.

No casualties were reported but U.N. election workers and police were evacuated by helicopter "as a matter of caution," following the two-hour attack, spokesman Eric Falt said.

The border checkpoint came under fire from small arms and about 12 artillery shells, the closest of which landed a few hundred meters (yards) away, he said.

A platoon of Uruguayan U.N. peacekeepers was sent to reinforce the post, at Chaom Khsan in northern Cambodia's Preah Vihear Province.

"In all likelihood this was an NADK shelling," Falt said, using the acronym for the Khmer Rouge army.

The timing of the attack, hours before leaders of the rival Cambodian factions were to meet with the French and Indonesian foreign ministers in Beijing, did not appear accidental to observers here.

The Khmer Rouge controls large areas of Preah Vihear Province, using roads and trails there to bring in supplies from Thailand and truck out timber, U.N. military sources say.

Among the proposals due to be discussed in Beijing was the Phnom Penh government's call for Thailand to close its border with the Khmer Rouge zones to pressure the faction to rejoin the peace process.

The Khmer Rouge has refused to disarm as called for by last year's peace treaty, claiming that Vietnamese occupation troops remain in Cambodia.

The last major Khmer Rouge attack reported by the United Nations Transitional Authority in Cambodia (UNTAC) was on the night of October 13-14, coinciding with a U.N. Security Council vote on Cambodia in New York.

The Security Council reaffirmed that elections would be held in Cambodia by May 1993 and warned that it would consider unspecified "further measures" on November 15 if the Khmer Rouge was still blocking the peace process.

UNTAC has set up more than 20 checkpoints along the Vietnamese, Thai and Laotian borders to assure that no foreign troops or military supplies are entering Cambodia, but the Khmer Rouge has not allowed the peacekeepers access to its zones.

Khieu Samphan Warning Over Peace Accord Cited

BK0911132892 Phnom Penh SPK in English 1058 GMT 9 Nov 92

[Text] Phnom Penh SPK November 09—Khmer Rouge leader Khieu Samphan, accused the United Nations of showing favoritism toward the Phmom Penh government, warned of an "explosion" in Cambodia as international peace talks ended in failure in Beijing Sunday, according to AFP, [words indistinct] Vietnamese settlers continue to flow into the country and continue to expropriate the land of the Cambodian population", Khieu Samphan told a news conference at his Beijing hotel. This situation will lead to an explosion one day that people cannot foresee now," he said. "We call on all concerned parties to look at the developing situation".

Khieu Samphan [words indistinct] lay the groundwork for a full-scale resumption of war, saying that with the dry season approaching, his forces were preparing to react in "self defense" against impending Vietnamese attack.

The factional leader alleged that two million Vietnamese settlers were now in Cambodia and many of them were soldiers disguised as civilians.

Under the Paris peace agreement reached in October last year, the United Nations has sent 16,000 peacekeepers into Cambodia to try to end a 13-year-old civil war by maintaining order until elections scheduled for May next year. Earlier, the cochairmen of the Paris accord, French Foreign Minister Roland Dumas and his Indonesian counterpart Ali Alatas accused the Khmer Rouge of blocking the peace process.

~~The Khmer~~ Rouge, militarily the strongest of the three factions opposing the Phnom Penh regime, are refusing to lay down their arms or allow the United Nations into areas they control, the two ministers said at a news conference in Beijing.

But Khieu Samphan, whose official role is president of the Democratic Kampuchea Party, called the accusations "unfair" and said repeatedly that his faction was "fully committed" to the Paris agreement.

He said the root cause of the deadlock was U.N. favoritism toward the Phnom Penh Governement and its failure to work with the Supreme National Council (SNC) a body on which all four factions sit that is meant to be the "unique legitimate body and source of authority in Cambodia" during the transitional period. [Words indistinct] made to prevent the four Cambodian parties from [words indistinct] a role on an equal footing ... With a view to having only one Cambodia party play a dominating role, that is the one installed by Vietnam in 1979, " he said.

Vietnamese forces invaded Cambodia and installed a new governement in Phnom Penh in 1979 after ousting a genocidal Khmer Rouge regime responsible for the deaths of one million people. Hanoi maintains that it withdrew the last of its soldiers in 1989.

Responding [to] the French-Indonesian proposal to redraft the Paris agreement in the face of Khmer Rouge recalcitrance, Khieu Samphan said: "We from the Democratic Kampuchea Party do not call for the rewriting of the Paris agreement," we only call for the correct implementation of the Paris agreement, especially the provisions on the SNC as the legitimate body and source of authority in Cambodia during the transition period.

Diplomats say that China is now trying to wash its hands of the Cambodian problem and is distancing itself from the Khmer Rouge.

Khieu Samphan said he did not expect to meet any Chinese (?official) on his trip. He declined to say whether relations [words indistinct] his group and Beijing had deteriorated.

Phnom Penh's Call for Attack Against DK Viewed

BK1011054192 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 9 Nov 92

[Unattributed commentary: "Puppet Hor Namhong and Khieu Kanharit's Statements Calling on Vietnamese Puppets and UNTAC to Jointly Attack the Resistance Forces Have Laid Bare the True Nature of the War-Mongering Bandit Chieftains"]

[Text] Recently, the Hanoi authorities—Yuon [derogatory term for Vietnamese] bandit chieftains who have committed aggressive, expansionist, and annexationist acts against Cambodia—ordered their puppets in Phnom Penh to make repeated call for UNTAC [UN

Transitional Authority in Cambodia] to join hands with them in launching a military offensive against the Cambodian national resistance forces.

The Cambodian nation and people both inside and outside the country know well that all these puppets—Hun Sen, Chea Sim, Heng Samrin, Tie Banh, Hor Namhong, and Khieu Kanharit—are Yuon lackeys who have sold out the country to the Yuon. All they have done so far is to recite whatever the Yuon have told them.

Question: What are the true nature and objectives of the Yuon aggressors in ordering their puppet-lackeys to repeatedly call on the UNTAC to change its mandate from carrying out the agreement to cooperating with them in attacking Democratic Kampuchea [DK]?

This statement of the Hanoi authorities echoed by their puppet-lackeys automatically spells out the true aggressive, expansionist, war-mongering, and antipeace nature of the Hanoi authorities. That is:

1. The Yuon have used over 200,000 Yuon military forces to attack the Cambodian national resistance forces for the past 13 years in order to eliminate the Cambodian national resistance forces—particularly the DK forces—so that the Yuon aggressors can occupy Cambodia in line with their Indochinese Federation strategy. But they suffered the most serious setback in the history of Vietnam and that of the world.

2. After the signing of the Paris agreement, the Yuon aggressors in collusion with the UNTAC chiefs and their allies inside and outside the UNTAC have opposed the 23 October agreement, particularly the two key provisions—refusing to verify the Yuon aggressor forces and not allowing the Supreme National Council to play its role according to the Paris agreement. This is an attempt to maintain the Yuon forces hidden behind the puppet regime for carrying on their aggression and occupation of Cambodia.

3. After successfully blindfolding and gagging UNTAC chiefs from the question of the Yuon aggressor forces' presence in Cambodia, the Hanoi leaders have carried on their plan to send millions of Yuon nationals to Cambodia to invade and seize Cambodia's land, villages, streams, rivers, and ponds.

At present, particularly after UNTAC chiefs announced that there were no Yuon in Cambodia, after UNTAC drafted a law to protect the Yuon, and after UNTAC chiefs drafted a law giving the Yuon the right to vote, over 2 million Yuon nationals have settled in Cambodia and more of them are flowing into Cambodia like torrential flood waters from a broken dam.

4. In a situation when the Yuon aggressors, Yuon puppets, and their allies inside and outside UNTAC are in an impasse and at the wits' end being exposed as the party which opposes the Paris agreement, the Yuon aggressors have grossly, openly, and shamelessly called for UNTAC cooperation in attacking DK party.

In the face of such a situation which threatens the survival of the Cambodian nation, people, and race, the Cambodian nation and people everywhere inside and outside the country have jointly held aloft the banner of great national union to fight for the defense of the Cambodian nation, land, and race.

In such a situation, the Cambodian nation and people will hate and oppose anyone—be they the Yuon puppets, UNTAC chiefs, or their allies inside and outside UNTAC—who serves, helps, or defends the Yuon aggressors as much as they hate and oppose the Yuon themselves.

Phnom Penh Reportedly Blamed KR for Own Attacks

BK1011111392 Hong Kong AFP in English 0853 GMT 10 NOV 92

[TEXT] Phnom Penh, Nov 10 (AFP)—Phnom Penh's army launched two attacks against resistance forces in Cambodia over the holiday weekend then blamed them on the Khmer Rouge, a U.N. spokesman said Tuesday.

The attacks were among a spate of cease-fire violations reported since Friday, including deadly raids on two villages and the shooting of two opposition political workers.

"At this point these incidents would appear isolated, and the result of tension between rival factions in particular spots and not a coordinated action by one or another faction," spokesman Eric Falt said.

Phnom Penh's army reported on Saturday that it had been attacked in the disputed central province of Kompong Thom by a joint force of guerrillas from the Khmer Rouge and FUNCINPEC [National United Front For an Independent, Neutral, Peaceful and Cooperative Cambodia], a small non-communist faction.

An investigation by the United Nations Transitional Authority in Cambodia (UNTAC) revealed that Phnom Penh troops had initiated the attack, Falt said. There was no sign of involvement by the Khmer Rouge, he said.

Phnom Penh reported another Khmer Rouge attack Friday in an area which includes western Cambodia's Siem Riep and Banteay Meancheay Provinces.

An UNTAC investigation, however, showed that it was actually a force of some 60 Phnom Penh soldiers and police who entered a zone controlled by the Khmer Rouge "who retaliated," Falt said.

Phnom Penh has recently stepped up its propaganda offensive against the Khmer Rouge, which is blocking the implementation of last year's Cambodian peace agreement by refusing to disarm or let U.N. peacekeepers into the zones it controls, observers said.

Phnom Penh has also started to accuse FUNCINPEC of collaborating with the genocidal Khmer Rouge, in an apparent attempt to dent the growing political popularity of the faction led by Prince Sihanouk's son, Prince Norodom Ranariddh.

FUNCINPEC was loosely allied with the Marxist Khmer Rouge in an unsuccessful 12-year battle to unseat the government installed in Phnom Penh by invading Vietnamese troops in 1979.

UNTAC is meanwhile investigating attacks Friday on two villages in western Kompong Thom Province that left four people dead and 27 injured, Falt said.

In Phum Choum Boeng, a group of villagers celebrating a religious festival was attacked by small-arms fire. Three people were killed and 24 injured, 13 of them seriously, he said.

The villagers claimed that the Khmer Rouge was responsible for the attack, he said.

The village of Phum Ta Trael was attacked the same evening by "unidentified soldiers" firing small arms and throwing several hand grenades, Falt said. One man was killed and three children were hurt.

Falt earlier said the Khmer Rouge "in all likelihood" were responsible for the shelling before dawn Saturday of another village in which two Cambodian civilians were wounded hours before international peace talks on Cambodia opened in Beijing.

Cambodians marked the semi-annual water festival over the weekend, which was extended by a public holiday Monday.

In another incident, a man opened fire with an AK-47 assault rifle from the back of a motorbike at an office of the Buddhist Liberal Democratic Party (BLDP), wounding two party workers, Falt said.

"This is the most serious incident to have occurred in the current electoral process," he said.

The BLDP is the party formed by the former non-communist guerrilla faction led by one-time premier Son Sann.

The party claims 21 of its operatives have been killed since returning to areas controlled by Phnom Penh since the peace treaty.

The U.N. Security Council is to meet after November 15 to consider measures to salvage the Cambodian peace process, including possibly forging ahead with elections even if the Cambodian factions refuse to disarm.

Hun Sen Returns to Phnom Penh; Views Sanctions

BK1011134592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 11 Nov 92

["Report," with portion recorded, on the return of the Supreme National Council delegation of the State of Cambodia]

[Text] On the afternoon of 10 November at 1630, the Supreme National Council [SNC] delegation of the State of Cambodia led by His Excellency [H.E.] Hun Sen, vice chairman of the Cambodian People's Party [CPP] and chairman of the Council of Ministers, and SNC member; accompanied by H.E. Tie Banh, vice chairman of the Council of Ministers, defense minister, and SNC member; and H.E. Hor Namhong, foreign minister and SNC member, safely returned home after attending the SNC meeting in Beijing on 8 November.

Greeting the delegation at Pochentong international airport were their excellencies standing members of the CPP Central Committee, including Bou Thang; Chea Soth; and Sar Kheng, vice chairman of the Council of Ministers and interior minister; Say Chhum, standing vice chairman of the Council of Ministers; Prince Chakkrapong, vice chairman of the Council of Ministers; Nguon Nhel, agriculture minister; Men Sam-an, chairman of the Cambodian Federation of Trade Unions; Ney Pena, vice chairman of the CPP Central Committee's Control Commission; General Sin Song, national security minister; Pol Saroeun, deputy defense minister and chief of staff of the Cambodian People's Army; officials from the CPP Central Committee; ministers; deputy ministers; directors general; deputy directors general; and cadres and employees of many ministries and services. H.E. General Pan Thai, adviser to H.E. Chairman of the Council of Ministers, also greeted the delegation.

H.E. Hun Sen answered questions by local and foreign reporters on this occasion. Following is the essence of the answers:

[Begin recording] [Indistinct question in English followed by largely indistinct Cambodian translation]

[Hun Sen] The attacks certainly took place; however, we should not give too much importance to the Khmer Rouge. I think the Khmer Rouge's military threat can be opposed if concrete measures are taken to protect the people.

[Indistinct question with partly indistinct Cambodian translation] What are (?the measures that) can be considered concrete measures?

[Hun Sen] This is for the UN Security Council [UNSC] to decide what to do. All efforts to coax the Khmer Rouge have been exhausted. Thus, what is left is the measure to put presure. Of course, along with pressure, we should coax them and leave the door open for their participation.

[Indistinct question with partly indistinct Cambodian translation] were economic sanctions considered?

[Hun Sen] I think this should be done. I also discussed this issue with Thai officials in Bangkok.

[Indistinct question with Cambodian translation] What did the Thai officials think?

[Hun Sen] Thailand is prepared to implement the UN Security Council [UNSC] resolutions. This does not mean, however, that Thailand would propose that economic sanctions be taken. But Thailand will go along with any UNSC resolutions. [end recording]

Chea Sim's 5 Nov Visit to Prey Veng Reported

BK0811070092 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 7 Nov 92

[Text] On 5 November, His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee and chairman of both the National Assembly and the front's National Council, and his wife, visited and talked to people in Prey Veng Province, and led a Buddhist procession with three Buddha statues to Vat Krabau monastery in Krabau commune, Prey Veng Province, along with an offering of a sum of money to the local monks for some repair works in the monastery.

Among those accompanying H.E. Chea Sim were H.E. General Sin Sen, member of the CPP Central Committee and deputy minister of National Security; Lieutenant General Loy Sophat; and Lt. Gen. Thong Chon, deputy minister of National Security; Ek Sam-ol, deputy education minister; Daok Narin, deputy minister of religious affairs; Lt. Gen. (Nu Sophea), deputy chief of staff; Major General Sum Samnang, chief of the National Defense Ministry's Logistics Department; and many other leading officials.

Among those greeting H.E. Chea Sim on this occasion were Yut Phuthang, member of the CPP Central Committee and chairman of the Prey Veng provincal party committee and people's committee; leading officials of Kamchay Mea district; and a multitude of monks, Buddhist disciples, people, teachers, and students.

On the morning of 6 November, H.E. Chea Sim visited the Kamchay Mea district hospital, which has just been completed with $60,000, gift from the Moha Rishi Heaven on Earth for Development, and a mine hospital building with 11 beds. Afterward, H.E. Chea Sim visited another structure in progress, namely the Thnal Kaeng university, with four buildings and comprising 12 rooms. The cost of the building, $200,000, also comes from a gift of the Moha Rishi Heaven on Earth for Development organization.

Also on the same morning, after visiting the two sites, H.E. Chea Sim and wife went to Vat Thmaong monastery, Thmaong commune, in Kamchay Mea district, to visit over 20,000 monks, Buddhist disciples, and people in the district; and distributed gifts and some money to people, families of merited disabled and fallen cadres and combatants, and another sum of money to the local monks for building and repairing the monastery and schools.

Afterward H.E. Chea Sim went on to visit Vat Svay At monastery, Svay At commune in Prey Veng district, Prey Veng Province, to talk to local authorities and about 10,000 monks, Buddhist followers, teachers, students, and people from various villages in the entire Prey Veng district.

At the end of the visit and after distributing aid to merited families of disabled cadres and combatants and offering money to monks for building the monastery and schools, H.E. Chea Sim and wife, and leading officials took leave of the monks, Buddhist followers, and people in Prey Veng district, Prey Veng Province, and safely returned to Phnom Penh.

Further on Chea Sim's Visit

BK0811142592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 8 Nov 92

[Text] On 5 November His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP] and National Council of the Kampuchean United Front for National Construction and Defense, and a number of government officials led a Buddhist procession to Krabau Monastery in Kamchay Mea District of Prey Veng Province, bringing along an offering of a sum of money to the local monks for construction of the monastery's main temple.

At a gathering H.E. Chea Sim expressed profound gratitude to the local people and the Krabau Monastery's Buddhist followers for having spent their time and contributed money toward erecting the temple. He then recalled the tragedy caused by the Polpotist regime, which had abolished Buddhism; turned monasteries into manure depots, slaughterhouses, or prisons; and destroyed temples as well as Buddha statues.

H.E. Chea Sim also spoke about the multifarious development achieved by the nation under the correct leadership of the CPP and the Government of the State of Cambodia [SOC] over the past 14 years. As for Buddhism, he added, it has been restored for the people's worship and considered the state religion.

He also talked about current events, saying the situation concerning the process of national reunification and the search for peace in Cambodia is moving forward toward the final stage, that is, the holding of general elections. H.E. Chea Sim stressed that the CPP and the SOC Government have surmounted all manner of difficulties and obstacles with the aim of achieving peace for the people. The party and government have also always displayed fortitude in implementation of the Paris peace accord. And although the Khmer Rouge have refused to respect the accord and have committed military violations, our SOC side is striving to bring about a genuine peace for the nation and motherland with a view to reaching national reunification and rebuilding the country towards prosperity.

Visit to Vat Thmaong Detailed

BK0911062992 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 8 Nov 92

[Text] On 6 November, a delegation of the Cambodian People's Party [CPP] and State of Cambodia's [SOC] Government led by His Excellency [H.E.] Chea Sim, chairman of the CPP and chairman of both the National Assembly and the National Council of the Kampuchean United Front for National Construction and Defense [KUFNCD], accompanied by leading officials from various ministries and services, visited people, teachers, students, monks, and Buddhist followers in Vat Thmaong monastery in Kamchay Mea district, Prey Veng Province.

On this occasion, Yut Phuthang, member of the CPP Central Committee and chairman of the provincial party committee and people's committee, cordially and most warmly welcomed the delegation. The provincial chief pointed out the great deeds of the KUFNCD which, under the leadership of H.E. Heng Samrin and H.E. Chea Sim, and in cooperation with patriotic mass movements, waged a struggle until winning a complete victory on 7 January 1979, thereby rescuing our people throughout the entire country from death under the genocidal Pol Pot regime.

H.E. Chea Sim informed the people in Kamchay Mea district about the process to find peace in Cambodia in which the SOC has correctly implemented and abided by the Paris peace agreement. On the contrary, the Khmer Rouge side keeps using pretexts to avoid taking part in a solution to find peace for the people and has been carrying out military activities aimed at prolonging the bloody war in Cambodia. H.E. Chea Sim said that the CPP and the SOC Government have cordially cooperated with UNTAC and corectly implemented the Cambodian peace agreement so that the peace process in Cambodia can succeed.

Chea Sim Speech Opens Water Festival 8 Nov

BK0911090592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 9 Nov 92

[Speech by Chea Sim, chairman of the Cambodian People's Party and chairman of both the National Assembly and the National Council of the Kampuchean United Front for National Construction and Defense, to start the water festival in Phnom Penh on 8 November—recorded]

[Text] Greetings to the Presidium; princes, ladies and gentlemen; beloved compatriots; and Excellencies and ladies and gentlemen, honored foreign guests: In the year of the Monkey, 2536 Buddhist Era, 1992 A.D., the Cambodian People's Party [CPP], the State of Cambodia's [SOC] Government, the Kampuchean United Front for National Construction and Defense [KUFNCD], and our people nationwide celebrate the regatta and the moon and water festivals after solemnly and grandly marking the birthday of His Royal Highness [HRH] Prince Norodom Sihanouk on the occasion of his reaching the age of 70, going on 71. In an atmosphere full of satisfaction and great joy, this grandiose traditional celebration further shows the firm identity and current all-around social and national development. This is also one of the great achievements scored by our party, government, and people in 1992.

The water festival is a fine national tradition showing the love for peace, happiness, and open-minded solidarity. It also reflects the energy, firmness, resoluteness, courage, perseverance, and fighting spirit of our people in defense of national independence, sovereignty, and territorial integrity, to protect the people's lives, property, heritage, and national honor. Furthermore, this celebration shows an all-around development and abundance of agricultural products, gifts of the land and waterways of the fine Angkor motherland, and the patience, perseverance, and tireless and improvisational spirit of our people.

Over the past few decades, the Angkor motherland has gone through successive major events: joy, peace, anger, sadness, great honor, and remorse. All this represents a very complicated and tortuous test for the people nationwide. Joy; peace; great, bitter, and painful tragedy; and the miraculous rebirth of the Cambodian people over the past decade deeply remain in the mind of each citzen. It has also been engraved in the nation's history.

The Cambodia motherland and the Angkor land have now entered a new phase, that of national reconciliation, in which a good and booming prospect of progress, independence, peace, freedom, sovereignty, and happiness is moving along a wide path toward a new era of peace, stability, and prosperity under the lofty leadership of HRH Prince Norodom Sihanouk, father of the nation, head of state, SNC [Supreme National Council] chairman, and father of the Cambodian national reconciliation.

It was over four years ago that the CPP and SOC Government had invited and accompanied the prince father on his return to the beloved motherland, and had restored the legitimate title of head of state to him, the way it was before 1970. In a noble royal crusade full of energy by the prince father of national reconciliation, the Cambodian situation has evolved positively. This has comforted the people, the prince's children, grandchildren, and great- grandchildren, and given them hope in a brilliant future under the cool shade of the prince father, grandfather, and great-grandfather.

To this day, although one party has not taken part in the implementation of the agreement, the peace process, within the framework of the implementation of the agreement, is progressing on the basis of active and lively cooperation among various parties, particularly the SOC and UNTAC [United Nations Transitional Authority in Cambodia]. This clearly shows that the SOC always adheres to sincere goodwill in genuine national reconciliation for firm peace and stability for the beloved Cambodian motherland.

On behalf of the CPP, the SOC Government, and the Cambodian people, I would like to express sincere thanks to the great contributions of UNTAC and the international community to the peace process in Cambodia and hope that the international community, through the United Nations and UNTAC, and other countries involved, will take firm measures to push the Khmer Rouge side to return and continue implementing the peace agreement because the way the situation has dragged on produces a further imbalance in implementing the accord and clearly shows the seriousness of the situation, which could lead to a deeper impasse beyond repair.

In implementing the agreement under the clearsighted and effective leadership of HRH the prince father, a number of positive developments should be noted, particularly the reduction in the sacrifice of people's lives, the pledge to provide $880 million by the international community, the normalization of relations with major international banks, the repatriation of Cambodian refugees, the demining, the implementation of human rights, the control of administrative network, and the election preparations. All these are results we achieved over a year ago.

The above process, with positive results, shows that the national reconciliation process in Cambodia requires the lofty role of HRH Prince Norodom Sihanouk, father of national reconciliation. The CPP and the SOC Government pledge to cooperate with the entire Cambodian people to support the election of the prince as president of Cambodia; this presidential election should be held before that of the constituent assembly.

Best wishes to the prince father and royal consort. May they enjoy good health, energy, brilliant mind, and great renown, and remain a cool shade for the people and a solid basis for national union in the restoration and development of the Cambodian motherland with independence, sovereignty, territorial integrity, peace, and prosperity.

May their excellencies, ladies and gentlemen, and all foreign guests of honor enjoy the five Buddhist blessings. I wish that this solemn traditional celebration, a symbol of merit, peace- and justice-loving sentiments, sincerity, joy, and glory of the Angkor land, remain forever in the heart of children of all Cambodians. May those coming from various provinces to take part in the boat race and this solemn occasion enjoy good health and victory.

On behalf of the CPP, the SOC Government, and the KUFNCD, I declare the regatta open.

Indonesia

Anniversary of Dili Incident Noted in E. Timor

Military Foils Fretilin 'Plot'

BK0711153692 Jakarta THE JAKARTA POST in English 27 Oct 92 p 1

[Text] Dili (JP)—East Timor military authorities announced yesterday that they foiled a Fretilin [Revolutionary Front For an Independent East Timor] plot to stage a demonstration and arrested 10 suspected supporters of the separatist group.

Brigadier General Theo Syafei, commander of the East Timor military command, told THE JAKARTA POST here that the demonstration was set for October 28, the date of last year's stabbing at the Motael Church which subsequently led to the November 12 tragedy at the Santa Cruz cemetery.

The Fretilin supporters were arrested in Dili during an operation checking on identification documents [ID] in the city.

Syafei said the Fretilin members were arrested when they failed to show their ID cards.

The provincial administration and the local military have been carrying out ID card checks for the past week. Syafei said around 1,000 people were found without proper identification. They were arrested for brief periods before being released.

Syafei said the soldiers on guard at the Santa Cruz cemetery were posted to ensure peace for people visiting the cemetery on All Souls' Day on November 2. The Catholic day of prayer observes the passing of loved ones.

Syafei said he had visited the family of Sebastiao Gomez who was killed in the Motael incident. "They have no desire to demonstrate and only wish to lay flowers on the grave in accordance with the local Roman Catholic custom," he said.

Syafei was attending the opening of the East Timor Customs office.

Governor Comments on Need for ABRI

BK0611111992 Jakarta THE JAKARTA POST in English 28 Oct 92 p 2

[Excerpts] Jakarta (JP)—East Timor still needs an Armed Forces (ABRI) presence to prevent residents from becoming upset by provocative rumors, Governor Abilio Jose Osorio Soares said here yesterday.

Soares discounted criticism echoed by several foreign countries of Indonesia for the large number of ABRI troops posted in East Timor. [passage omitted]

In 1974, when the East Timorese was given the opportunity to determine their future, three dominant powers emerged in the region, Soares said. He would not elaborate further on who the three dominant powers are.

"The three powers still exist today even though with their secret activities," Soares said. "These obstacles must be eliminated through hard work, well-planned programs and the development of a loyal cadre among youth."

Suharto has asked the East Timor provincial administration to create loyalty among all the province's youth so as to eliminate the impression that Indonesia took over East Timor to expand job opportunities for all Indonesians.

"The President strongly rejects this view," said Soares, adding that Suharto instructed him to intensify the grooming of cadre in all sectors.

Soares added that this prompted him to meet several ministers to help form the cadre program in the province.

Commenting on recent press reports about the arrest of several dissidents and checking of identification papers for people entering the province, Soares said East Timor is not closed to outsiders as long as they do not arouse suspicion.

"We will certainly prevent anybody from visiting the province if they come to help the dissidents or separatists," he said. "We will also certainly welcome those coming to the province to help local people improve their living standard."

Military authorities have reportedly tightened control and imposed searches on newcomers in the face of the first anniversaries of fatal incidents on October 28 and November 12 last year. [passage omitted].

"I think it is just natural to impose tightened security measures facing the dates," Soares said. "We need to be vigilant against any possible incidents which could be exploited by those whose children died during the last year's incidents."

Claims Misquote on Dili Incident

BK0611155492 Hong Kong AFP in English 1027 GMT 6 Nov 92

[Text] Jakarta, Nov 6 (AFP)—East Timor Governor Abilio Jose Soares denied Friday saying that more protesters should have died in last year's Dili massacre.

Australian press reports Thursday quoted Soares as telling the Indonesian Forum Keadilan (Justice Forum) magazine that Indonesian troops should have killed "even more" pro-independence demonstrators in the November 12 shooting in the East Timor capital.

"I said then that even should it (the death toll) have reached one thousand, how many percent of the population in East Timor was that?" Soares told journalists after meeting Indonesian Vice President Sudharmono.

The suggestion that he had said one thousand should have died was false, the Jakarta-appointed governor said.

Soares asked his Forum Keadilan interviewer to calculate what proportion of those taking part in the demonstration had actually been among the casualties.

The interviewer said some one thousand had attended the demonstration and that about 100 had died.

Indonesian authorities have said 50 people died and about 90 went missing when troops shot into the crowd of demonstrators. Other sources, including witnesses, have said the death toll could have exceeded 115.

The report about the magazine interview drew strong reactions in Australia, with two backbench MPs labelling Soares' comment as "obscene, appalling and brutal," but also saying "we sincerely hope that he has been misquoted."

Soares was appointed early last month as the governor of the former Portuguese colony of East Timor, which Jakarta unilaterally declared its 27th province in 1976.

The United Nations and Portugal do not recognize Indonesia's sovereignty over the territory.

Asks Amnesty Officials Not To Visit

BK0611155892 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 6 Nov 92

[Text] East Timor Governor Abilio Jose Soares has asked officials of Amnesty International not to visit the province for the time being even though it is open to all, including foreigners. Speaking after he met with Vice President Sudharmono in Jakarta today, the East Timor governor said any foreigner's application to visit the province will be considered. Amnesty International officials want to visit East Timor to inspect the situation there.

UN Human Rights Officer 'Impressed'

BK0911032592 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 9 Nov 92

[Text] William Treat, a member of the UN Commission on Human Rights [UNCHR], says he has been impressed by the Indonesian Government's positive efforts and good intention to make improvements in East Timor. Speaking to newsmen in Dili before returning to Jakarta on Saturday, Willim Treat said that the Indonesian Government had been serious about developing East Timor, particularly in the socioeconomic and educational fields, to achieve better living standards. He said that his visit to East Timor was designed to see what could be done to promote relations between Indonesia and the international community in general.

Diplomatic Solution to Spratlys Dispute Urged

BK0711155392 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 7 Nov 92

[Text] Armed Forces Commander General Try Sutrisno hopes that the issue of the Spratly islands, which are claimed by six Asian countries, will be solved through diplomatic not military means. Indonesia does not want to see the use of military means to solve the issue.

Speaking in Situbondo, East Java today, Gen. Sutrisno said the six countries that claim the Spratly islands are Vietnam, Brunei Darussalam, the Philippines, Taiwan, the PRC, and Malaysia. These countries understand the strategic value of the Spratly islands because the islands are located in a fairly busy navigation lane in Southeast Asia. Gen. Sutrisno also stressed the importance of Indonesia's diplomatic moves to solve the dispute. In solving the dispute, Indonesia is also trying to maintain its good relations with the six countries.

PRC Defense Attache Comments

BK0811160892 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 8 Nov 92

[Text] The PRC Government is ready to solve through diplomatic means the dispute on the Spratly islands in the South China Sea, claimed by six Asian countries. Speaking in Situbondo today, PRC Defense Attache to Indonesia Colonel (Lu Chunlim) said the PRC's claim over the islands is a complicated issue because the islands have become part of Asia's history and demography.

The PRC defense attache said there is no problem with Indonesia as far as bilateral relations are concerned because the two countries are on friendly terms. Col. (Lu Chunlim) noted that history and demography textbooks in the PRC made reference to the people living in the Spratlys.

Meanwhile, Armed Forces Commander General Try Sutrisno said Indonesia had always made efforts to solve the Spratlys dispute through diplomatic means. The Spratlys are claimed by Vietnam, Malaysia, the Philippines, Taiwan, the PRC, and Brunei Darussalam.

Alatas Returns From Cambodia Talks in PRC

BK0911154492 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 9 Nov 92

[Text] Foreign Minister Ali Alatas returned to Jakarta tonight after attending a two-day meeting on the Cambodian issue in Beijing. Separate consultations were held with Prince Sihanouk, the other Cambodian factions, and UNTAC's [UN Transitional Authority in Cambodia's] chief Akashi.

Foreign Minister Alatas said all the factions—with the exception of the Democratic Kampuchea faction—agreed that (?consultations) based on the Paris accord be continued.

He said there was a need to review certain aspects in connection with the implementation of the Paris accord in Cambodia.

AFTA Back on Right Track After Initial Snags

BK0711100292 Jakarta THE JAKARTA POST in English 26 Oct 92 p 4

[Editorial: "AFTA Closer to Reality"]

[Text] The path toward establishing the ASEAN Free Trade Area (AFTA) has not been a smooth one. Eight months after the ASEAN summit meeting in Singapore in January this year decided to gradually implement the free trade area beginning in January, 1993, the scheme seemed doomed to become another of the regional groupings' non-starter programs because the ministerial AFTA Council in charge of overseeing it had not been set up.

Another thick cloud of uncertainty shrouded the plan when Thailand asked for a postponement of the second meeting of the AFTA Council, finally set up in the middle of last month in Bangkok. The Council was scheduled to meet in coincidence with the 24th ASEAN Economic Ministers Meeting in Manila. The urgency of implementing AFTA seemed to go completely unrecognized when the Thai delegation failed to arrive until after the morning opening session of the ministers' 24th meeting last Thursday.

That meeting last week in Manila, however, removed all the doubts and uncertainty. The results have reassured us that the January 1 1993 schedule for the gradual implementation of AFTA through the Common Effective Preferential Tariff (CEPT) arrangement is surely to be met. Not only was the second meeting of the AFTA Council, which was supposed to be postponed for at least three weeks, reconvened, agreements were hammered out on several basic aspects of the scheme as well.

The ministers agreed on the following time frames for accelerated tariff cuts for 15 categories of priority products: 10 years for products currently with tariffs above 20 percent and seven years for those currently with tariffs at 20 percent and below. Preliminary estimates put the total number of items under the 15 categories at about 4,000.

However, as Singapore's Deputy Prime Minister Lee Hsien Loong noted at the end of the meeting, preparations for the launching of AFTA have not been completed. A lot of hard work and wrangling will still be needed to iron out the technical details of the scheme. For example, the final list of products to be included in CEPT—the instrument for implementing AFTA—has yet to be drawn up at the third meeting of the AFTA Council scheduled in Jakarta for December ll and December 12. This aspect is the most sensitive one to be coped with because the scheme could still be rendered less meaningful than possible if member countries demand that a large number of items be temporarily excluded from the CEPT.

Some other details have yet to be worked out to ensure that the implementation of AFTA will run smoothly to achieve its objective of cutting import tariffs on manufactured and processed agricultural products to between zero and five percent by 2008. For example, the definition of processed agricultural products has yet to be set. And a formal dispute settlement procedure is apparently needed because disagreements over rules and regulations on the free trade arrangements may still arise.

To enable investors to benefit from the large market of 320 million to be created by AFTA, issues like trade-related investment policies, such as product standards and property rights, and non-tariff barriers, such as customs classifications and procedures, subsidy schemes, testing procedures and health and safety standards need to be addressed right at the outset of CEPT implementation to gradually create AFTA by 2008.

Judging from the strong determination to patch up differences shown by ASEAN economic ministers, we are more confident that AFTA is now back on the right runway towards its take-off despite the many operational details that have yet to be ironed out within the next few weeks.

The governments of the ASEAN countries—Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand—seem to have fully realized that AFTA is crucial not only for maintaining the relevance credibility and international clout of their 25-year old grouping, but also for accelerating their economic growth amid the increasing tendency toward regional trading arrangements in the world. After all, AFTA is designed not only to expand intra-regional trade but also, and more importantly, to enhance the economic competitiveness of the six participating nations.

Bakin Chief Says Communist Threat Still Exists

BK0611154092 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 6 Nov 92

[Text] Lieutenant General Sudibyo, chief of the Bakin [State Intelligence Coordinating Agency], says the communist threat still exists albeit in a reduced form. This must be explained to the younger generation because communism is strongly against the Indonesian people's philosophy.

Speaking at a hearing with Parliamentary Commission I in Jakarta today, Lt. Gen. Sudibyo said the younger generation has some difficulties understanding the potential threat of communism because they are not aware of the dangers of communism and its past actions. They must receive adequate clarification on the matter so they will have a similar level of understanding with their predecessors.

Laos

Prime Minister Addresses Cadres in Saravane

BK0711093592 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 6 Nov 92

[Text] Recently, Prime Minister Khamtai Siphandon met and addressed leading cadres in Saravane Province during his two-day visit to production establishments in that province. During the visit, Prime Minister Khamtai Siphandon heard a report on socioeconomic development, including the construction and consolidation of infrastructure work, presented by Thongvang Singhachak, provincial governor.

In his speech addressing the leading cadres, the prime minister discussed in depth certain issues on the leadership implemented by the party and administrative committees at each level in promoting and expanding the popular democratic system. He instructed the cadres to study and profoundly understand the line, plans, and policies of the party and state and then lead the people at the grassroots to vigorously put the line, plans, and policies into actual practice in order to develop the economy and society. He also gave guidelines for the cadres to take the offensive in further improving and strengthening the contingent of national defense and public security forces.

Meets Indonesian Information Minister

BK0911094392 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 9 Nov 92

[Text] On the afternoon of 7 November, Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR], received in Vientiane a visiting delegation of the Information Ministry of the Republic of Indonesia led by Harmoko, minister of information. The meeting and talks proceeded in a friendly, straightforward atmosphere. On this occasion, Prime Minister Khamtai Siphandon wished the Indonesian delegation glorious success in its visit to the LPDR. He also expressed the hope that this visit to Laos by the Indonesian information delegation will significantly contribute to further expanding and strengthening solidarity, friendship, and cooperation, particularly cooperation in information work, between Laos and Indonesia.

On the same afternoon, a meeting was held at Lan Xang Hotel between a delegation of the Information and Culture Ministry of Laos and a delegation of the Information Ministry of Indonesia. The Lao delegation was headed by Bounteng Vongsai, acting minister of information and culture, while the Indonesian delegation was headed by Harmoko, minister of information. At the meeting, the two sides discussed and exchanged views on many issues of common interest, in particular relations and cooperation in information work. The two sides have agreed to enhance the relations and increase the mutual assistance in this field.

Later, on the evening of 9 November, the two delegations jointly signed a memorandum on cooperation between the Information Ministries of the two countries. Signing for the Lao side was Bounteng Vongsai, and signing for the Indonesian side was Harmoko. The Indonesian delegation's visit lasted from 5 to 9 November.

Attends Religious Rites in Vientiane

BK0911143592 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 9 Nov 92

[Text] This morning, tens of thousands of Buddhist believers and residents of Vientiane capital joined in making merits by giving alms and food offerings to Buddhist monks at the That Louang pagoda grounds. The religious rites were organized on the occasion of the traditional That Louang pagoda festival for 1992. Attending the religious rites and joining in making merits on this occasion were Prime Minister Khamtai Siphandon along with many dignitaries in the government.

The religious ceremony began at 0700 with the chant blessing and sermon by senior Buddhist monks. The Buddhist belivers then gave food offerings to the monks before other religious activities were held.

France Gives 22.3 Million Francs in Equipment Aid

BK0711103692 Vientiane KPL in English 0900 GMT 7 Nov 92

[Text] Vientiane, November 7 (KPL)—The French government has agreed to provide equipment through a grant facility worth 22.3 million francs to the Lao government.

A protocol was signed in Vientiane yesterday between Mr. (?Gerard), deputy head of the Department of External Relations within France's Ministry of Finance and Economy, and Mr. Thongphachan, head of office within the External Economic Relations Ministry.

During 1992, projects planned under the grant facility include the purchase and installation of airport communication equipment worth 11.3 million francs for communication between Vientiane and Luang Prabang [words indistinct] granted development assistance to the Lao governnent in civil aviation, telecommunications and water supply systems. Projects under the grant facility will be implemented in stages over the next few years.

Progress Noted in Assembly Election Preparations

Provinces End 2d Stage of Campaign

BK0711094192 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 6 Nov 92

[All figures as heard]

[Text] At present, campaigns in preparation for the election of members of the Third National Assembly have been continuously carried out in all provinces and regions throughout the country. Many provinces have completed the second stage and begun to launch the third and final stage of the campaigns after reviewing achievements and lessons scored or learned in the second stage.

In the campaigns in the second stage, various documents, particularly the document on the obligations of Lao citizens in establishing and expanding the popular democratic system, have been widely publicized. In the provinces, which have just completed their second stage of the campaigns, cadres, party members, students, intellectuals, workers, and people of all starta have come to profoundly understand the line, plans, and policies of the party and state. They have further appreciated the significance of the National Assembly and have further understood the differences between the old and new assemblies. They have also come to understand the adverse consequences arising from having many parties or groups.

Following the second stage of the political campaigns, cadres who have taken part in the campaigns have successfully collected ever-clearer information and data. For example, in Savannakhet Province, statistics collected at the end of the first stage of the campaigns showed that there were only 280,064 total eligible voters. But the statistics compiled following the second stage of the campaigns indicated that the number of eligible voters in this province has increased by 12,992. According to the latest statistics, the number of eligible voters throughout Savannakhet Province is 292,056, including 156,705 women, and there are altogether 477 polling stations.

In Khammouane Province, new reports from the province indicated on 5 November that the second stage of the political campaigns in preparation for the election of members of the Third National Assembly has also been completed. According to the statistics compiled at the end of the second stage, there are altogether 123,856 total eligible voters: 25,891 eligible voters and 50 polling stations at all 313 villages in Thakhek District; 15,848 and 24 polling stations at 69 villages in Nong Bok District; 22,088 eligible voters and 37 polling stations at 148 villages in Hin Boun District; 15,960 eligible voters and 33 polling stations at 156 villages in Mahasai District; 14,540 eligible voters and 17 polling stations at 103 villages in Gnommalat District; 8,833 eligible voters and 23 polling stations at 123 villages in Boualapha District; 7,134 eligible voters and 19 polling stations at 47 villages in Nakai District; and 8,462 eligible voters and 15 polling stations at all 50 villages in Se Bangfai District.

Government Gives Figures on Vientiane Voters

BK0811065092 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 8 Nov 92

[Text] According to news reports from Vientiane Province, the Vientiane provincial committee in charge of making preparations for the election of members of the Third National Assembly held a meeting in late October to review and assess achievements and lessons scored or learned in carrying out the political campaigns in preparation for the election in the first and second stages. The meeting was held prior to the launching of the third and final stage of the campaigns for the election preparations.

Through the review and assessment of the campaigns in the first and second stages, the committee indicated that in all nine districtsin Vientiane Province, three of which are in the plains, there are altogether more than 134,000 eligible voters out of the total of more than 300,000 citizens, 65 constituencies, and 282 polling stations. In this province, 10 candidates, including seven local residents and three others from the center, have been registered to run in the election. Only six out of the 10 candidates will be elected as members of the Third National Assembly.

Preparations in Champassak Reported

BK1011053592 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 9 Nov 92

[Interview with Boualai Sisomvang, chairman of the electoral committee of Champassak Province, on the election of the Third National Assembly—read by announcer; date not given]

[Summary] Political campaigns in preparation for the election of members of the Third National Assembly have been systematically carried out in our Champassak Province. The first stage of the campaigns was held 12-30 September while the second stage began on 6 October and ended on 30 October 1992. We began the third and final stage of the campaigns in early November.

"The achievements of the first and second stages of the political campaigns as reviewed and assessed by us are as follows:

"1. Various provincial and district services have come to understand the significance of the election of the Third National Assembly. They have assigned a large number of their cadres, both at the provincial and district levels, to serve as members of the electoral committees as well as to work as key cadres in leading the people to launch the political campaigns.

"2. Cadres who have been appointed and arranged to lead the political campaigns have publicized the plan and policy on the election of the National Assembly to cadres, state employees, soldiers, policemen, and multiethnic people in all localities.

"3. The multiethnic people of all strata have appreciated the party's plan and policy on the election of the Third National Assembly. Following the studying of the plan and policy, they have profoundly understood their rights to ownership of the country and their obligations as Lao citizens. They have acknowledged the differences between the people's representatives in the past and the members of the National Assembly to be elected in the near future."

In addition, the people have now come to understand the danger arising from the multiparty democratic system, the system which serves the schemes of ill-intentioned elements who intended to effect a change through a peaceful means.

"Along with the political campaigns, we have also fulfilled the population census work. According to the statistics we have collected, at present in Champassak Province there are altogether more than 216,000 eligible voters out of the total of more than 456,000 citizens. There are 391 polling stations set up for the eligible voters of all 893 villages throughout the province. Some 1,955 cadres have been appointed to control the vote casting at the polling stations. At present, altogether 691 ballot boxes, both of large and small sizes, have already been sent to the electoral committees at the district level in all districts. The large-size ballot boxes are to be used at the polling stations while the small ones are to be used as mobile ballot boxes to serve elderly or ailing eligible voters who are unable to go to cast ballots at the polling stations by themselves." These small ballot boxes are to be taken to houses of the elderly or ailing eligible voters so as to enable them to fully exercise their rights.

113 Refugees Return to Khammouane From Thailand

BK0611151292 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 6 Nov 92

[Text] A group of 113 Lao refugees in Thailand voluntarily returned to their homeland on 5 November. On their arrival in Laos, they were welcomed by officials of the Social Welfare Service and authorities of Khammouane Province.

The repatriates were sent to Thakhek District, Khammouane Province by Wimut Dikoson, governor of Thailand's Nakhon Phanom Province, and Mrs. Nopphon Raksuwan, representative of the United Nations High Commission for Refugees [UNHCR] in Thailand.

On this occasion, they were welcomed by Thongphoun Chanphengsai, deputy governor of Khammouane, and Mrs. Ichiko, UNHCR representative in Laos.

All of the 113 refugees have been sent to resettle in Ban Mai Phattana village in Hinboun District, Khammouane Province.

Philippines

Romulo Denies Accord on U.S. Return to Bases

HK1011051992 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 9 Nov 92

[Text] Foreign Affairs Secretary Roberto Romulo said that no agreement has been reached allowing U.S. forces to reenter the Philippines' military bases after they have left the country. He said that, although the continued presence of U.S. forces may be beneficial to the country with respect to providing a stabilizing force in Southeast Asia, this fact does not automatically translate into allowing the United States to continue maintaining their bases here in the country.

AFP Says Ties With U.S. Forces To Continue

HK1011052692 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 10 Nov 92

[Text] The Armed Forces of the Philippines [AFP] announced that good relations between the Philippines and the United States will continue—and may even prosper—even after American forces leave the military bases before the end of the year. An AFP spokesman said that continued U.S. ties would also includes closer ties between the AFP and the U.S. Armed Forces. The AFP spokesman stressed the need to continue the good relations between the AFP and the U.S. Armed Forces and added that the AFP will never allow a third party [preceding two words in English] to interfere in Philippine-U.S. relations.

Ramos Opens Base to Prospective Foreign Investors

HK1011062192 Manila BUSINESS WORLD in English 10 Nov 92 pp 1, 5

[Text] President Ramos yesterday said Poro Point and Wallace Air Station can be used as support facilities for investors coming from Japan, Taiwan, Korea, China, Hong Kong and Singapore.

The two facilities, which are located in La Union, "may be tapped to promote the province as a major growth center," he added, citing La Union's strategic proximity to the so-called economic tigers of Asia.

"La Union has in its spread numerous facilities that may be tapped to promote the province as a major growth center. We have the Poro Point and Wallace Air Station which can satisfactorily serve as support facilities in our dealings with our neighbor Asian economic tigers like Japan, Taiwan, Korea, China, Hong Kong and Singapore," the Chief Executive said in a speech before a civic assembly in La Union.

The President envisions the facilities to service the needs of investors coming from these countries like what is being planned for Subic, which was a former naval base.

Poro Point has a "beaching area" which can be used by landing ship tanks and an airstrip for small aircraft. Wallace also offers an airstrip for light planes.

Both military stations offer communication facilities.

Aside from these facilities, the President said his administration will also pursue infrastructure projects to further enhance the investment appeal of La Union and its neighboring provinces in Northern Luzon.

These projects include the P224.7 million [Philippine pesos] asphalt overlay and concrete paving of the Bauang, La Union to Benguet boundary section, the P306.3-million La Union/Benguet boundary to Baguio City and Pugo-Baguio road project which, when completed, will cover 20.35 kilometers.

The visit of the President to the province completed his tour of the four strategic provinces composing the Northern Luzon quadrangle.

Senate Seeks Interpretation of Defense Treaty

HK1011111392 Manila Far East Broadcasting Company in Tagalog 0100 GMT 10 Nov 92

[Text] An inquiry into the interpretation of the contents of the Philippines-U.S. Mutual Defense Treaty is being pushed through in the Senate. The treaty does not provide defense in the event of trouble erupting in the South China Sea, particularly the Spratly Islands.

Senator Blas Ople, chairman of the Senate Foreign Relations Committee, said the United States should clarify its obligations under the Mutual Defense Treaty.

American officials have stressed that the 1951 Republic of the Philippines-U.S. Mutual Defense Treaty does not cover islands over which ownership is under dispute, like the Spratly Islands and Sabah. The United States also refuses to side with any of the countries claiming sovereignty over the Spratlys.

Meanwhile, Senator Francisco Tatad, vice chairman of the Senate Foreign Relations Committee, is trying to strengthen the treaty. A proposal to amend the treaty includes an automatic retaliation clause which entitles the Philippines to defense by the United States in the event of an attack by any of the Spratly-claiming countries.

The PRC, Vietnam, Malaysia, Brunei, the Philippines, and Taiwan are scrambling for sovereignty over the Spratlys, which are rich in oil and other minerals.

PRC Says No 'Warlike Intentions' Over Spratlys

HK0911060292 Manila THE MANILA CHRONICLE in English 9 Nov 92 pp 1, 8

[Report by Johanna Son]

[Text] China has assured the Philippines that it harbors no "warlike intentions" in the South China Sea, and sought to allay perceptions that it would forcibly enforce its claims there.

Beijing's position was relayed by Chinese foreign ministry officials to Filipino officials, led by Asian and

Pacific Affairs chief Romualdo Ong, at the annual diplomatic consultations between China and the Philippines late last month.

Significantly, the Chinese also:

—Said it would "take time" before the U.S. firm Beijing has hired, Crestone Energy Corp. of Colorado, could actually begin scouting for oil and gas in an area of the South China Sea, also claimed by Vietnam.

—Denied with amusement reports that they would be buying an air craft carrier being built in a Ukraine shipyard with an eye to beefing up its navy in the South China Sea.

These two points are among the most common circumstances cited why China is perceived the most likely aggressor in the disputed area.

In an interview, Ong told the Chronicle that "the Chinese side took the occasion again to assure us quite firmly that they had no warlike intentions in the area," a DFA [Department of Foreign Affairs] official said.

The Chinese also said they shared other claimants' "common hope for peace," for the "shelving of the sovereignty issue for the time being" and for "joint cooperative activities in the area."

Beijing's assurances came before the Asean-EC ministerial meeting, where European ministers threw their support for the July 1992 Asean Declaration on the South China Sea, and before French Deputy Minister Georges Kiejman warned China against enforcing its claims in the South China Sea.

Foreign affairs officials welcomed the Chinese statements, but said also that the endorsements Asean has been getting for the declaration calling for peaceful settlement of territorial disputes helped to ease chances of misunderstandings in the South China Sea.

In the bilateral talks held in Beijing, Ong told Chinese officials that the Philippines was "interested" in hosting a workshop on marine scientific research in the rich waters of the South China Sea.

The workshop is one of two working groups, the other being on resource assessment, that were formed during the Indonesian-hosted meeting of claimants in the South China Sea disputes in June.

The Chinese said they were "fully in support" of the Philippines' desire to host further workshops involving the South China Sea, where the disputed Spratlys and Paracel islands are located, as a confidence-building measure.

To queries about Crestone's operations, Ong reported that the Chinese said it would take "some time, maybe even several years, before work on that can actually begin, if at all."

"The impression I got was that we shouldn't worry about it," Ong explained.

Tension rose when China hired Crestone in May to scout for oil/gas in a 10,000 sq. mi, area of the Spratlys termed Vanguard 21 by Beijing.

Diplomatic and academic circles often refer to Beijing's plans to acquire an aircraft carrier from the Ukraine, called the 'Varyag' as disturbing signs that China was beefing up its military.

Ong quoted Chinese officials as being "kind of amused" about this "silly story," and saying that they later learned that Ukraine was not even selling the said carrier.

The Chinese added that they did not have the money to buy an aircraft carrier, and that they "wouldn't know where to put it if they had one...(besides) the Nansha islands (the Chinese name for the Spratlys) are too small to have an aircraft carrier operating around," officials related.

Taiwan had used reports of China's acquisition of an aircraft carrier to justify its purchase of 150 F-16 jets from America.

Previously, Chinese officials already explained to the Philippines that its February 1992 legislation claiming a huge swath of the South China Sea was just a reaffirmation of Beijing's long-time position.

It was not meant, they explained, to "make a particular point at a given point and time," referring to interpretations by China's neighbors that Beijing was becoming bolder in enforcing its claims amid the reduction of US military presence in Asia.

Ong echoed Foreign Secretary Roberto Romulo's satisfaction with the EC's endorsement of the Asean Declaration, saying that it would "gain strength and validity as a document."

"It signals the fact that a wide variety of countries feel in common that peace ought to prevail in the South China Sea and that they are in agreement with the objectives of the declaration," he added.

At the Asean foreign ministers meeting in July, Vietnam had endorsed the declaration and China supported only "some" portions of it.

Apart from the Philippines and China, the Spratlys are claimed by Brunei, Taiwan, Vietnam and Malaysia. China and Vietnam also claim the Paracels.

Country Said Defenseless Against Invasion

HK1011082892 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 10 Nov 92

[Text] National Security Adviser General Jose Almonte has expressed concern over the capability of the Armed Forces to thwart foreign military offensive. Almonte made the statement anticipating the time when U.S.

forces will have completed their exit from Philippine territory, adding that everybody knows the country does not have a strong defense against foreign invasion.

Almonte cited the example regarding the Philippine claim for one of the Spratly Islands, where some of the claimants are Malaysia, China, Vietnam and Taiwan.

Military Rebels Surrender After Years in Hiding

HK0811065492 Hong Kong AFP in English 0423 GMT 8 Nov 92

[Text] Manila, Nov 8 (AFP)—Fifteen rebel soldiers who had been on the run for five years gave themselves up here Sunday to the Philippine military in order to take advantage of President Fidel Ramos's offer of amnesty. The 15 followers of right-wing rebel leader Gregorio Honasan, a former army colonel who has eluded arrest, turned over assault rifles, grenades and bullets when they surrendered to air force chief Major General Leopoldo Acot. "Ramos's peace initiative looks good," their spokesman, former Air Force Technical Sergeant Napoleon Angoya said.

Acot said the soldiers, all enlisted men, can avail themselves of the amnesty offer since they only served as "pawns" of Honasan during two bloody coup attempts against then president Corazon Aquino in 1987 and 1989. Honasan is the Philippines' most wanted man, with a five million-peso (200,000-dollar) price on his head.

The 15 rebels went underground after the 1987 putsch failed and briefly resurfaced during the 1989 uprising, after which they went into hiding again. Angoya said that they hid in Manila and nearby provinces, working as construction workers and taking other odd jobs to survive. "It's hard to be in hiding," he told journalists. He said they made no contact with rebel leaders, but occasionally received messages.

The government declared military rebels a spent force after seven failed attempts to oust Aquino, most of them crushed by Ramos, a former defense chief who offered amnesty to all rebel groups after being elected president last May.

Participated in Failed Coups

HK0911042092 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 8 Nov 92

[Text] Fifteen members of the Revolutionary Nationalist Alliance have surrendered, heeding government advice and taking advantage of opportunities given them regarding the amnesty program. The surrenderees, led by Philippine Air Force Technical Sergeant Napoleon Angoya, participated in the past failed coups. Angoya complained about hardships he and the group encountered while hiding from the government.

Meanwhile, Air Force Major General Leopoldo Acot said the government has contributed so much to the amnesty program because more people now have faith in its sincerity.

The surrenderees shall be sent back to their respective commanders for temporary detention until sufficient evaluation has been made regarding their respective cases.

Ramos Comments on Peace Efforts, Surrender

HK0911061892 Manila Far East Broadcasting Company in Tagalog 0100 GMT 9 Nov 92

[Text] President Ramos said the government's peace efforts will continue until national reconciliation is achieved. The president stressed that national reconciliation will pave the way to political stability, which will be the key to economic recovery.

The president also expressed joy over the surrender of 15 rebel soldiers involved in the 1987 and 1989 coup attempts.

Meanwhile, the return to the country of Nur Misuari, Moro National Liberation Front chairman, is now certain. Misuari has been given a safe conduct pass to participate in the peace talks with the government.

Ramos Suspends Proceedings Against Rebel Officers

HK1011104192 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 10 Nov 92

[Text] President Fidel V. Ramos today approved two measures to strengthen his government's peace initiative. These are the suspension of court martial proceedings against all military rebels and the release of 402 enlisted personnel who have been detained for participating in coup attempts.

These steps were recommended by the National Unification Commission and were just approved today at a cabinet meeting in Malacanang. The recommendation was contained in an NUC [National Unification Commission] resolution.

It has been learned that court martial proceedings will only be suspended with the consent of the military rebels facing charges.

Ocampo Urges 'Communication' To Solve Insurgency

HK0911060592 Manila THE MANILA CHRONICLE in English 9 Nov 92 p 6

[Report by Buhay de Guzman]

[Text] Cabanatuan City—The 23-year-old insurgency problem of the country may end in two years provided the Ramos administration keeps communication lines open with the National Democratic Front (NDF), Satur Ocampo, former NDF head said yesterday.

But Ocampo said all rebel groups, rightists or leftists, must participate in the ongoing peace process to insure the success of the peace efforts by the Ramos administration.

Ocampo said the efforts of the National Unification Commission (NUC) headed by Haydee Yorac cannot produce results right away because of the complicated problems in insurgency.

NDF Plan To Exploit Peace Talks Revealed

HK1011083092 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 9 Nov 92

[Text] The Armed Forces has bared a National Democratic Front [NDF] plan to use the peace negotiations in order to forcibly form a political coalition between the government and the rebels. The coalition is expected to be the primary instrument to ultimately control government power.

Based on an expose made by Brigadier General Romeo Padiernos, Armed Forces of the Philippines Civil Relations Service chief, the NDF reportedly plans to pressure the government to allow them to join the peace talks as well as participate in an accord to form a so-called coalition government. The NDF claims that the coalition government is to be loyal and nationalistic, but the coalition process will eventually take over government rule.

NPA Urged To Participate in Peace Talks

HK1011102392 Manila DIYARYO FILIPINO in Tagalog 9 Nov 92 p 4

[Editorial: "The NPA Attack]

[Text] The National Unification Commission has made the right move by not including a cease-fire as one condition for negotiations between the government and communist rebels in order to end the insurgency in the country, or else the administration's program would have failed.

It is sad to think that after the government's efforts to end the insurgency, the New People's Army [NPA] still continues its armed confrontations. Only last Thursday, the rebels ambushed a Philippine Air Force detachment in Cagayan, Isabela, destroying two of its aircraft. It was just fortunate no one was hurt or killed in the incident. This was followed by a report that a soldier was killed in Barangay Morado, Ilagan after being ambushed by NPA rebels.

The incidents show that the rebels are taking advantage of the exclusion of a cease-fire as one of the Ramos administration's conditions for peace negotiations, or that they really are not at all interested in living peacefully without arms.

Regarding the incident in Isabela, the government must clarify who really should be granted amnesty—do all rebels need an amnesty or just those interested in claiming it? Because any rebel interested will stop—even temporarily—his armed struggle against the government. He may then, if he so wills it, continue the use of armed struggle if negotiations fail.

It is unfair that while negotiations are ongoing the NPA continues its armed attacks against government troops and in the end claims amnesty only if in dire need, while property has already been destroyed, lives lost, and human rights violated.

It is hoped that the same NPA groups will think well about the lasting peace that could be the fruit of successful negotiations. Peace is what the world desires after the long cold war.

Rebel Leader Threatens To Bomb Foreign Embassies

HK1011053692 Manila DIYARYO FILIPINO in Tagalog 10 Nov 92 pp 1, 2

[Report by Pablo Hernandez]

[Excerpt] Alfredo de Leon, leader of the Red Scorpion Group [RSG], has denied a statement by Vice President Estrada, Presidential Anticrime Commission [PACC], that he is planning to surrender.

At the same time, he threatened to bomb embassies in Manila if authorities continue to harrass and intimidate him and his relatives.

"It is us who are at war. They should not implicate the innocent people and they should not push me to kill everyone I capture and to bomb foreign embassies," he said.

Interview

In an exclusive interview at a secret place in Central Luzon two days ago, De Leon told DIYARYO and Arlyn dela Cruz of the ABC Channel 5 that he never told Estrada he plans to surrender if he is given amnesty.

He said he called Estrada on a cellular phone and sought an explanation for the attack and arrest of three of his relatives in Minalin, Pampanga by about 100 PACC agents belonging to the Task Force Lawin headed by Lieutenant Colonel Beroya.

He told Estrada that Marlyn Callilong, her brother Gilbert, and their father Bienvenido should not have been arrested because they know nothing about the RSG's operations. [passage omitted]

Governor Confirms Mindanao Arms Landing

HK0911061092 Manila PHILIPPINE DAILY INQUIRER in English 9 Nov 92 p 14

[Report by Ali G. Macabalang]

[Text] Governor Zacaria Candao of the Autonomous Region in Muslim Mindanao [ARMM] confirmed on Friday reports of recent arms landings in Maguindanao by the Moro Islamic Liberation Front [MILF].

Interviewed by the INQUIRER at the ARMM liaison office in Makati Friday morning, Candao made the confirmation in answer to efforts by some quarters to implicate him in the operation.

Earlier, some sources—including some members of a local political group girding to contest Candao's position in the coming ARMM elections—had alleged that the "massive" arms shipments were meant to boost Candao's political clout.

He said the firearms, allegedly including assorted automatic rifles and anti-aircraft weapons, were being imported through the southern "backdoor" by the MILF to "build up its arms capability."

The MILF was undertaking this, Candao hinted, because the secessionist group feel they were being disregarded in the planned resumption of peace negotiations between the government and the rival Moro National Liberation Front [MNLF].

In his October 10 visit in Cotabato City, however, President Ramos had assured that once the peace talks resumed, the MILF and other Muslim rebel groups would be included.

On Friday afternoon, Candao told the same story about the reported arm landings to a Senate hearing on the ARMM's 1993 proposed budget.

In both the INQUIRER interview and the Senate hearing, Candao's report was sketchy, giving no details on the volume and types of arms shipped and the schedule of landings.

But, in a separate interview on Friday, an MNLF cadre officer, who spoke on condition of anonymity, corroborated Candao's report and gave additional details.

The source, citing results of an MNLF-initiated investigation, said the Maguindanao-based MILF central command had managed to bring in assorted arms and ammunitions in at least four shipments from August until October.

He said the total volume of improved arms, coming principally from Pakistan, involved less than 10,000 pieces.

He said the arms were mostly loaded into "kumpits" [speedboats] and landed in different coastal areas of Maguindanao and nearby Sultan Kudarat provinces.

The source, who claimed to be an officer of the MNLF air defense command, expressed no apprehension over the MILF "arms-buildup," saying leaders of the two fronts have ceased from their "petty quarrels" and are studying their possible reunification.

Muslim Leader Denies Involvement

HK0911144592 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 9 Nov 92

[Text] Nur Misuari, chairman of the Moro National Liberation Front [MNLF], today denied that the MNLF is behind the entry of large caliber weapons to Mindanao.

In an interview with DZMM, Misuari said this is a desperate effort by some sectors to derail the peace process. He added that there is no agreement yet on whether there will be another round of peace talks between them and the government. There is also no agreement on where the talks would be held.

[Begin Misuari recording] This is not true. This is only an effort by some people who want to sabotage the peace process. [end recording]

That was MNLF chairman Nur Misuari.

Official Discounts Muslim Offensive

HK0911150592 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 9 Nov 92

[Text] A top Armed Forces of the Philippines [AFP] official said the military does not expect an offensive from Muslim rebels in Mindanao.

Brigadier General Romeo Padiernos, chief of the AFP Civil Relations Service, said any renewed violence is not supported by the imams. On several occasions, he said, Muslim religious leaders have expressed support for efforts to speed up economic development in Mindanao which they believe has suffered from two decades of armed conflict between the government and Muslim rebels.

This was Padiernos's reaction on a recent attack on a police detachment in Makilala, Cotabato, where two policemen were killed. The incident was believed to be connected to the reported smuggling of hundreds of firearms in Cotabato.

Top AFP and police officials believe the arms were delivered to the Moro Islamic Liberation Front [MILF] under Hashim Salamat.

Padiernos, who was brigade commander in Mindanao, said Moro National Liberation Front leader Nur Misuari and other Muslim rebel leaders are not likely to support a possible MILF offensive.

He added that the AFP has enough resources to meet any conflict in Mindanao. It has three combat divisions in

Mindanao and can redeploy up to six battalions without affecting its operations against communist rebels.

Romulo Defends Human Rights Record

HK0911073492 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 8 Nov 92

[Text] The Philippines is prepared for any kind of pressure which the new U.S. Administration may impose on the country. This was the statement made by Foreign Affairs Secretary Roberto Romulo, adding that the Marcoses are no longer in power, hence the government's human rights record is much better than before. He said the Philippines is prepared to talk human rights and is not afraid to defend its human rights record, even before the United States.

Romulo said a number of people have been criticizing the president because he has condoned the continued fighting between government troopers and rebels even when peace talks are already underway, causing the death of many civilians.

Romulo made this statement after receiving criticism against the country's human rights record. The foreign secretary said the Philippines and the United States are the same in the sense that both Clinton and Ramos believe in upholding human rights.

Diplomatic Protest Against Plutonium Ship Sought

HK1011042992 Manila Far East Broadcasting Company in Tagalog 0100 GMT 10 Nov 92

[Text] Senator Alvarez, the chairman of the Senate Committee on Environment and Natural Resources, will ask the Department of Foreign Affairs to file a diplomatic protest when the Akasuki Maru containing plutonium passes through Philippine waters. Alvarez said the Philippines must protect its seas against the ship's passage through the country's waters. He added the ship, containing poisonous plutonium, is heading toward Philippine waters.

Marcos Reportedly Backs Out of Asset Transfer

HK1011100692 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2000 GMT 8 Nov 92

[Text] Solicitor General Raul Goco has made a statement saying the government is hoping former First Lady Imelda Romualdez Marcos will push through with talks she backed out of just last week, in order to finally transfer $356 million dollars deposited in 10 Swiss banks to the Central Bank.

Mrs. Marcos became furious when she was refused entry to her parents' sequestered old home in Leyte. Because of this, she ordered her lawyer Dean Antonio Coronel to stop further negotiations. Mrs. Marcos added the government's word can no longer be trusted.

Meanwhile, Goco has criticized the Presidential Commission on Good Government [PCGG] for delaying the negotiations. Goco said the PCGG should emphasize such negotiations, adding it should not have ransacked the Romualdez's sequestered home. He emphasized trustworthiness as a key factor to make the negotiations successful.

Senator Urges Closer Ties to Taiwan in Drug War

HK0711053292 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 6 Nov 92

[Text] Senator Ernesto Herrera has called for better relations with Taiwan, saying it is important for the Philippines to ally with Taiwan, because the island is the source of many illegal drugs and has been a constant source of drug-trafficking problems. He added that better relations with Taiwan will lessen the burden of the fight against illegal drugs. He said that Taiwan currently has the biggest drug-trafficking network, which supplies most of the illegal drugs being sold throughout the country. About 1000 kg of shabu [metamphetamine hydrochloride] worth more than $6 million enter the country from Taiwan each year.

Foreign Affairs Secretary Departs for Vietnam

HK1011101592 Manila THE MANILA CHRONICLE in English 10 Nov 92 p 4

[Report by Johanna Son]

[Excerpt] Foreign Secretary Roberto Romulo leaves today for Vietnam on a visit meant to signal the Philippines' newfound desire for stronger cooperation with its Asian neighbors.

During his four-day visit, Romulo will meet with key Vietnamese officials, including Prime Minister Vo Van Kiet and Foreign Minister Nguyen Manh Cam, as well as with economic and trade officials of that country.

Romulo will be accompanied by Foreign Undersecretary Rodolfo Severino Jr. and Assistant Secretary Francisco Santos, who has been appointed by President Ramos as the new Philippine ambassador to Hanoi.

"It's an opportunity for us to help Vietnam," Romulo said. He cited training and technical support that the Philippine government could extend to help Vietnam in its adjustment to a more free market-oriented economy.

Romulo will also be accompanied by a group of local businessmen who will scout for opportunities in the Vietnamese economy which is now drawing more foreign investments.

"This really is a South-South endeavor," Romulo said. "I want to make sure that our businessmen and expertise are there (in Vietnam)."

The Philippines is the second leading Asean investor in Vietnam. Mr. Ramos himself has accepted an invitation to visit the country sometime next year. [passage omitted]

Jose Almonte Implements 'Super Spy' Powers

HK0611134392 Quezon City ABC-DWET Television in Tagalog 1000 GMT 6 NOv 92

[From "ABC-DWET News Program"]

[Text] National Security Adviser Jose Almonte admitted today he is implementing the controversial power of a so-called super spy under Administrative Order No. 2. Almonte executed this amid opposition by several Congress members to his extensive powers in gathering intelligence information.

Almonte appeared at a hearing of the Senate Sub-Committee on Finance today, afterwhich, he told reporters that Administrative Order No. 2 is already in effect.

The order gives the national security adviser power to have access to records of government agencies, which is why some legislators call him the super spy.

Ramos Appoints Banker as New Ambassador to UK

HK0911061292 Manila THE MANILA CHRONICLE in English 9 Nov 92 p 6

[Report by Johanna Son]

[Text] A development banker has been appointed the Philippines' ambassador to London, the latest in a string of envoys chosen by President Ramos for their economic background.

Foreign Secretary Roberto Romulo said Mr. Ramos has named Jesus Tambunting, chairman and president of Planters Development Bank, as ambassador to the Court of St. James. He is a political appointee.

Romulo also announced seven other new ambassadorial designations for career diplomats, including assignments to key posts such as Vietnam and Malaysia.

Assistant Foreign Secretary Francisco Santos, in charge of legal affairs, is being posted in Hanoi, while Alberto Encomienda is going to Kuala Lumpur where the priority is the Sabah question.

On the choice of Tambunting, Romulo said: "He was picked because he's a banker and London is the financial capital of the European Community."

Likewise, Romulo described him as being very active with NGOs [nongovernment organizations] in Central Luzon, so he "understands NGOs and can help channel funds to NGOs here."

Romulo said Tambunting was used to dealing with Europeans because he had Dutch partners in his bank, the largest development bank in the country.

The other appointments are American affairs chief Tomas Syquia to Berne, Switzerland; Rafael Seguis to Baghdad; Willie Gaa to Tripoli; Pacifico Castro to Ottawa and Jose Fernandez to Athens.

Santos is going to Vietnam with the foreign secretary next week.

Fernandez was formerly stationed in Belgrade until the Philippines decided to close down its embassy there in protest of human rights violations against Muslims.

Castro was formerly the acting foreign minister and ambassador to Baghdad, while Encomienda takes the place of Rodolfo Severino, who has since become foreign undersecretary.

Bank Notes 26 Percent Increase in Imports

HK1011055592 Manila BUSINESS WORLD in English 10 Nov 92 p 1

[Report by Ma. Gertrudes Chavez]

[Excerpt] Import transactions for the first three quarters grew 25.7% to $8.364 billion from $6.654 billion, Central Bank [CB] data show. However, for the month of September, total imports dropped 6.44% to $214.89 million from last year's $229.68 million.

Omar Cruz, Citibank vice-president, told Business World yesterday the increase in imports is not an indication of improving economic activity, because the bulk of purchases constitutes non-capital equipment.

The same CB data indicated that the top comodity imports for the period included power generating and specialized machines, wheat, yellow soybeans, office and electronic data processing (EDP) machines as well as boats. The Citibank official noted the kind of imported equipment is generally for contingencies to cope with the power shortage and other emergencies.

Mr Cruz further observed that the general business climate is still weak. "You may find it hard to believe but until now, there are still no imports. Walang humihiram. (No one is borrowing). Banks are literally awash with cash," he said.

The system's high liquidity has forced the banks to flock to the government securities market where the yields are much higher. In this week's auction, the rates are expected to decline because of a projected oversubscription. Banks, one official said, are no longer comfortable with their level of funds.

Further, the growth in imports and the widening of the trade deficit could be traced to an overvalued currency.

The peso's appreciation vis-a-vis the dollar has cheapened commodity imports but has lowered the value of export receipts. [passage omitted]

Thailand

Tribunal Rules Amnesty Decree Not Retroactive

BK0911140192 Bangkok Radio Thailand Network in Thai 1200 GMT 9 Nov 92

[Text] Marut Bunnak, chairman of the Constitution Tribunal, reported that the tribunal had a meeting today to decide on the power of the Royal Amnesty Decree on the May events. Eight members of the tribunal attended the meeting, which lasted more than two hours. As a result, the Constitution Tribunal ruled that the Royal Amnesty Decree has no retroactive effect and that the case is closed. This means that all those who were involved in the mass rallies which took place between 17 and 21 May cannot be prosecuted and cannot be tried by civil or criminal courts. The ruling is considered final.

Commenting on the ruling of the Constitution Tribunal, Industry Minister Major General Sanan Khachonprasat said the ruling is final and therefore no action can be taken against any of the persons involved in the events. He said the ruling must be respected and added that the Amnesty Decree had been issued by the previous government and this government is responsible only for the final process of it.

Foreign Minister Squadron Leader Prasong Sunsiri meanwhile said that the Constitution Tribunal is empowered to make a decision on the matter and, once it has made the ruling, the legal process must be upheld .

BANGKOK POST Reports Ruling

BK1011030192 Bangkok BANGKOK POST in English 10 Nov 92 pp 1, 3

[Text] The Constitution Tribunal yesterday handed down a decision supporting the blanket amnesty for everybody involved in the 17-20 May demonstrations and subsequent crackdown.

Parliament President Marut Bunnak said the tribunal ruled that no one could be prosecuted or brought to trial since the House rejection of the Amnesty Executive Decree could not overturn the amnesty retroactively. The ruling was greeted with dismay by the relatives of victims of the crackdown and the Students Federation of Thailand which later burnt a symbol of the Justice Ministry during a protest in front of Parliament House.

The tribunal voted six to two at its meeting yesterday in support of the amnesty remaining in effect.

Mr Marut, who chaired the tribunal meeting, said the ruling effectively quashed any possibility of prosecuting those involved in the crackdown.

The tribunal focussed on Article 172, Clause 3 of the Constitution which states that a decree cannot be overturned while still in effect. According to the ruling, the phrase means "any action which derives from the decree, are the consequences of actions, or benefits which have been brought or granted by the misimplementation of the decree".

Sources said the tribunal was satisfied the clearing of everyone involved in the May violence of any wrongdoing under the Penal and Civil codes, as stated in Article 3 of the Amnesty Decree, satisfied the above criteria.

Mr Marut said the tribunal deliberated the issue thoroughly and brought down its decision based on "legal considerations" only.

It took no account of other circumstances, the House Speaker said, apparently referring to the political pressure from relatives of those killed and the Opposition criticisms of the Govermnent for referring the matter to the tribunal for interpretation.

Mr Marut said the tribunal ruling was final and should be borne in mind by courts hearing cases related to the crackdown.

He said damaged parties could still take their complaints direct to the courts.

People can still bring suits, but "I think the courts will turn them down," he said.

"I am personally disturbed, but this is what the Constitution Tribunal decided," he said.

Other tribunal members attending yesterday's meeting were Senate Speaker Michai Ruchuphan, Supreme Public Prosecutor Komen Phatthanaphirom, Suthi Akasaroek, Mongkhon Pao-in, Banyat Suchiwa, Bunchana Atthakon and Owat Sutthiwatnaruphut.

Supreme Court president nominee Praman Chansue, pending a royal command endorsing his appointment, and Lt Gen Saming Trailankha were absent.

Lt Gen Saming cast his vote supporting confirmation of the amnesty at a tribunal meeting last Tuesday.

Mr Suthi and Mr Owat voted against the ruling and Mr Marut abstained.

Sources said Mr Suthi and Mr Owat argued that the amnesty should only affect those charged but whose case were subsequently dropped when either the police or public prosecutors decided against prosecution.

They felt complaints could still be brought against those not yet charged.

Mr Suthi said the Supreme Public Prosecutor had told the meeting more than 1,000 cases, including those against Interior Minister and New Aspiration Party leader Gen Chawalit Yongchaiyut and Phalang Tham Party de facto leader Chamlong Simuang, had been dropped.

Despite the ruling he said people could still file complaints with the courts against those involved in the crackdown under the Penal Procedure Code.

Mr Suthi said the courts were duty-bound to accept the cases but they would have to bring down a ruling which accorded with yesterday's tribunal decision.

He also said there were loopholes in the Constitution which gave governments a free hand in deciding whether a situation constituted an emergency under which an executive decree could be issued.

Mr Suthi said the ruling would set a precedent for the Government to issue executive decrees which absolve it of any wrongdoing.

But Mr Marut denied this saying the ruling did not necessarily set a precedent because the Constitution could be changed and executive decrees issued in the future could be different from the amnesty ruling.

Ruling Termed 'Sad Epitaph'

BK1011024192 Bangkok BANGKOK POST in English 10 Nov 92 p 4

[Editorial: "A Sad Epitaph to the May Martyrs"]

[Text] There is something terribly wrong about the Constitutional Tribunal's ruling yesterday that the House rejection of the Amnesty Executive Decree could not overturn the amnesty retroactively.

Contrary to sheer common sense and the universally-accepted judicial principle that people who are accused of committing crimes are prosecuted for the offences they are alleged to have committed, the ruling essentially confirms that the controversial decree issued by the government of deposed Prime Minister Suchinda Khraprayun to absolve the guilt of senior military officers who ordered the bloody crackdown on pro-democracy demonstrators in May as well as others who were implicated in the same upheaval should stand. This means that in the tribunal's view no constitutional grounds exist for prosecution.

Notwithstanding the legalistic and constitutional complexities that led members of the tribunal to arrive at the decision the way it did—which may be beyond the comprehension of even the most intelligent members of the Thai public—the verdict yesterday appears to have set a dangerous precedent.

The person who issued the controversial decree was the head of an unpopular government whose rise to power was marred by widespread opposition. To silence the mounting popular dissent at the time, he consented to the urging of his military cohorts and ordered heavily-armed troops to fire on the demonstrators with deadly war weapons, killing scores and wounding many more. Shortly after the bloodshed on Ratchadamanoen Avenue had ceased, he issued the decree to amnesty himself and those military officers who ordered the crackdown.

If the tribunal's verdict yesterday were to really stick, as its members seem to want us to believe, how can this society prevent a future government from repeating the same irresponsible and deplorable exercise?

Statements by the tribunal's chairman and House Speaker Marut Bunnak to the effect that those who are not satisfied with the ruling can file charges in court offer little solace to the relatives of the May victims, especially in view of his additional comments that the court cases may not go very far since the tribunal's ruling is deemed final.

That some of the coalition parties were quick to dismiss the issue in the immediate aftermath of the tribunal's ruling has also come as a major let-down. The defensive explanation offered by Phalang Tham Party [PDP] acting leader Suthep Atthakon, which essentially corresponds with Mr Marut's comments, has done little to boost the party's image and credibility. Is the memory of the PDP—and the other coalition parties for that matter—so short that they have already forgotten that they have been propelled to the seat of political power today by the action and sacrifices of the May protesters?

That the Government may prefer to put this contentious episode to rest is understandable from its own standpoint, because to pursue it further in the form of criminal prosecution would almost definitely lead to political complications and potential instability. After all, at least two key coalition figures—New Aspiration Party leader Chawalit Yongchaiyut and de facto PDP leader Chamlong Simuang—have also been accused of complicity in the May events. But if this is really the reason for Mr Suthep's brushing aside of the issue and Prime Minister Chuan Likphai's non-committal stance, it becomes a case of blatant selfishness and irresponsibility.

This Government cannot shrug off responsibility with the lame excuse that the controversial decree was not of its making. The duty and responsibility of national governance, after all, is to right what was wrong in the past and to ensure that the country moves forward confidently in socio-economic and political development. It will be a serious blemish on the record of this Government if the deep scar from the May events is left untouched.

Given the disappointing pronouncement by the people who are supposed to be our constitutional experts, there appears little other choice but for the relatives of the May victims and other concerned citizens to pursue their cases in court. In the meantime, the glaring loopholes in the present constitution which led to the tribunal's interpretation yesterday must be plugged to ensure that no future government is in a position to issue a similar executive decree to absolve its own guilt.

Traders To Join Talks on Khmer Rouge Sanctions

BK1011033592 Bangkok BANGKOK POST in English 10 Nov 92 p 1

[Text] Thai traders are being called for consultations to find a way of cushioning the impact of possible trade sanctions against the Khmer Rouge by the United Nations, Foreign Minister Prasong Sunsiri said yesterday.

Traders doing business with the Khmer Rouge and the three other Cambodian factions—including Phnom Penh and two groups loyal to non-communists—are being invited to the talks at the foreign ministry, he added.

The minister said the failure of international talks in Peking over the week-end to persuade the Khmer Rouge to disarm had made it necessary for Thailand to prepare for possible trade sanctions.

The traders would be helped "as far as limits permit," he pointed out..

They have already been advised to put a freeze on new investments by former Foreign Minister Asa Sarasin, he noted.

Foreign Minister Prasong said he envisaged the possibility of the UN imposing a ban on oil exports to the Khmer Rouge and a trade embargo, rather than a total economic boycott.

Thailand would abide by any UN resolution to bring peace to Cambodia, he reiterated.

He said he believed the resolution on Cambodia would be known within the next two weeks, after the French and Indonesian co-chairmen of the Paris International Conference on Cambodia (PICC) report on the outcome of the Peking talks.

The PICC co-chairmen, who convened the weekend's gathering, are due to report to UN Secretary General Butrus Butrus Ghali by November 15.

Cambodian Head of State Prince Norodom Sihanouk presided over the talks which were held in Peking at his suggestion.

The Peking talks came after a negotiated effort by Thailand and Japan in Phnom Penh two weeks ago failed to persuade the Khmer Rouge to comply with the disarmament phase of the Paris peace agreement they signed over a year ago.

Despite the failure in Peking, Foreign Minister Prasong said he was still hopeful that peace could be brought to Cambodia.

The international community which has supported the peace effort since the establishment of the Supreme National Council (SNC) should take into account the concerns aired by the Khmer Rouge in Peking, he said.

Khmer Rouge leader Khieu Samphan accused the UN of showing favouritism towards Phnom Penh and maintained that Vietnam was sending troops disguised as civilians into Cambodia.

Foreign Minister Prasong stressed that the guerrillas formed part of the SNC and noted that he was meeting Phnom Penh Prime Minister Hun Sen today in his capacity as a member of the SNC.

Designed to bring national reconciliation among Cambodians previously at war, the SNC also incorporates noncommunist factions loyal to former Prime Minister Son Sann and Prince Sihanouk's son, Prince Norodom Ranariddh.

The Khmer Rouge should be viewed "from all sides," Foreign Minister Prasong said, reiterating his recent statements to European Community ministers in Manila.

"If it were not for the Khmer Rouge's fight against Vietnam, Cambodia may not have survived being swallowed by Vietnam," he said.

Plan To Seal Off Cambodian Border Criticized

BK1011042692 Bangkok THE NATION in English 10 Nov 92 p 2

[Text] Sealing off the Thai-Cambodian border was not practicable and would seriously affect Thailand, Gen Charan Kunlawanit, secretary general of National Security Council, warned yesterday.

"The Khmer Rouge would be able to survive on its own in their controlled zones," Gen Charan said.

The United Nations is expected to impose sanctions against the Khmer Rouge, including closing the border following the failure of the latest round of Cambodian peace talks in Beijing to persuade the radical guerrillas to rejoin the peace process.

Charan warned that if the communists were edged out of the current peace process, renewed fighting between the Khmer Rouge and Phnom Penh forces was inevitable and would disrupt the planned general election in May next year.

He blamed the United Nations Transitional Authority in Cambodia (UNTAC) for failing to implement the Paris peace agreement. He said UNTAC had never attempted to create unity among the four warring factions.

Charan said if Thailand agreed to abide by the UN sanctions, the country would need a lump sum of money to cover the costs of deploying military and police to monitor the sealed border.

He decribed the plan as "a westem style of thinking."

"Thailand has been suffering ever since the UN peacekeepers launched their operation in the war-torn country," Charan said.

The disarmament process in Cambodia had already caused an influx of weapons from Cambodia to Thailand he said. An AK-47 assault rifle could be bought at the border for Baht 200-300.

"The ineffective operation of UNTAC in Cambodia has allowed armed Cambodians, who used to kill and rob Thai villagers in the past, to sneak into Thailand," he said.

Gen Charan said the best way to persuade the Khmer Rouge to rejoin the peace plan was to provide them with basic necessities such as medical care and improved infrastructure, not to demand they lay down their arms.

Editorial Wants Khmer Rouge Out of Peace Process

BK1011044192 Bangkok THE NATION in English 10 Nov 92 p A6

[Editorial: "Khmer Rouge Should Be Left Out of Peace Process"]

[Text] *Direct your eyes downward, do not hold your head high and gaze at the sky. Unless a person is interested in turning his eyes downward ... he will never in his whole life understand things.* Mao Zedong, March 1941.

It is indeed unfortunate that these words have been closely adhered to by the Maoist Khmer Rouge in their concerted attempt to destabilize Cambodia and scupper [as published] any attempts in implementing the Paris Peace Accords that were signed in Oct 1991.

Turning their "eyes downward," the Khmer Rouge are aware that they can encourage more socio-economic instability by building up hatred for Vietnamese settlers in the country and demanding their departure, when it is a known fact that these settlers perform vital economic functions for Cambodia. Several thousand Vietnamese settlers in Cambodia today are active in the fishing industry, market gardening and various other important trades. Their abrupt removal, because of racial hatred stirred up against them, would be bound to lead to a major shortfall in the country's food supply.

The Maoist guerrillas advocate capitalism in a country where unbridled capitalism is now tearing the social fabric at its seams. Hence the Khmer Rouge's grand designs of overrunning Cambodia could be fulfilled again, reminiscent of April 1975 when they marched into Phnom Penh and emptied the city at gunpoint, the beginning of their massacre of over a million Cambodians.

Since June 13, these guerrillas have refused to comply with the Paris Peace Accords and have blocked the overall progress towards peace in Cambodia by not agreeing to regroup, contain and disarm 70 percent of their active combatants as stipluated in the UN-brokered agreement. The Paris Accords call for the holding of free and fair elections in May 1993, but the Khmer Rouge have so far refused to participate in the voter registration which began on Oct 5.

The harsh reality prevailing in post-war Cambodia manifested itself over the weekend with the collapse of the international talks in Beijing aimed at salvaging the Paris Peace Accords by bringing the Khmer Rouge back into the fold. The most extensive and expensive UN peacekeeping operation ever has now been thrown into disarray and the prospect of renewed bloodshed in the country is a strong possibility.

The Beijing talks are incorporated in the UN Security Council resolution passed on Oct 13 calling for the foreign ministers of France and Indonesia, as co-chairmen of the Paris International Conference on Cambodia (PICC), to initiate a series of measures aimed at getting Ithe Maoist guerrillas back into the peace process. If the co-chairmen of the PICC fail, then UN Secretary-General Butrus Butrus Ghali has to report by Nov 15 to the Security Council on further steps that need to be taken to ensure implementation of the "fundamental objectives" of the Paris Peace Accords.

Foreign Ministers Roland Dumas and Ali Alatas of France and Indonesia have hinted that the peace accords have to be at least partly rewritten in order to exclude the Khmer Rouge from the May 1993 elections. This is in accordance with a contingency "Plan B" that calls for the continuance of the Paris Peace Accords by including only three of the Cambodian factions and isolating the Khmer Rouge. Such a plan calls for the installation of "sanitary cordons" around areas the Khmer Rouge control, the imposition of sanctions against the guerrillas, and a sealing of the border between Khmer Rouge areas and Thailand with genuine cooperation from Bangkok to be elicited by the Security Council.

In a bid to improve its international image, the Thai military would not have much of a choice but to cooperate with the United Nations in this matter, though certain quarters in the Supreme Command are of the opinion that the closure of the entire border with Cambodia is impracticable. Leaving the minority view aside, Thailand for once has an opportunity to make a sacrifice for peace and stability in Indochina by forsaking private business deals with the Khmer Rouge.

It is indeed sad that slightly over a year after the signing of the Paris Peace Accords, there is no motivation or dynamism among the Cambodian people for national reconclliation. Indeed, the fault lies in the 18 parties to the agreement who, borrowing from Mao's words, "held their heads high and gazed at the sky" instead of "turning their eyes downward." The Cambodian people had not been consulted at all in the formulation of the peace agreement, resulting in unrealistic deadlines given to the United Nations Transitional Authority in Cambodia (UNTAC). The main preoccupation of UNTAC has been on the May 1993 elections and in ensuring that an internationally acceptable government is installed in power in Phnom Penh after that. The Khmer Rouge on the other hand are more interested in the period after the elections when UNTAC leaves Cambodia and the new government succumbs to unbridled capitalism and corruption and becomes an administration hated by the people.

A Khmer Rouge-ruled Cambodia between 1975-78 was synonymous with horror, and the artisans of the UN-brokered peace agreement have to ensure that peace, democracy and development become achievable goals in the country. Clearly, the Paris Peace Accords have to be amended to exclude the Khmer Rouge to ensure that the people of Cambodia do not become slaves again.

Cambodia's Hun Sen Requests Pressure on KR

BK1011035992 Bangkok BANGKOK POST in English 10 Nov 92 pp 1, 3

[Text] Phnom Penh Prime Minister Hun Sen yesterday warned there would be renewed fighting in Cambodia unless the United Nations found a way soon to bring the Khmer Rouge [KR] back to the peace process.

"Obstacles by the Khmer Rouge will bring us to the brink of war," he declared shortly after arriving here from Peking where international talks at the weekend failed to persuade the guerrillas to disarm.

"The whole thing is now under the control of the UN Security Council" he said.

Without an "immediate agreement" to bring the radical guerrillas back to the peace process, a new round of fighting could break out in Cambodia in the upcoming dry season, he added.

Hun Sen urged the UN to put pressure on the Khmer Rouge by imposing trade sanctions.

He said this would require Thailand to seal its border along Khmer Rouge controlled areas in order to stop trading activities which he said posed an obstacle to the peace process.

The collapse of the Peking talks brought the French and Indonesian organizers to suggest that some "adjustments" were necessary to the peace agreement signed in Paris by four Cambodian factions and 17 other countries on October 23, 1991.

Hun Sen called for "military aspects" to be added to the agreement so as to push forward the peace process.

He did not elaborate on this point but said the Paris agreement, despite its comprehensive nature and balance, now looked like a handicapped person because "one party" had violated it.

He is due to meet Prime Minister Chuan Likphai at Government House this morning before heading back to Phnom Penh later during the day.

Foreign Minister Prasong Sunsiri and Defence Minister Wichit Sukmak will also take part in the talks.

Hun Sen said it was up to the UN to break the deadlock now the Khmer Rouge had shown they were unwilling to comply with the Paris peace agreement.

The UN Security Council is expected to come up with a resolution on this problem after receiving a report on the talks from the French and Indonesian co-chairmen of the Paris International Conference on Cambodia (PICC).

Phnom Penh will be ready to respond to any outbreak of fighting in the dry season, Hun Sen said.

"We have the right to exercise self-defence. Our good will alone cannot protect the lives of our people.

"The degree of our military reaction will depend on the military activities of the Khmer Rouge."

Hun Sen urged the UN to impose trade sanctions, saying "this is one of the measures to impose pressure on the Khmer Rouge while they are violating the peace agreement".

He called on Thailand to stop trading with the guerrillas and to conduct such activities through the Supreme National Council (SNC) of Cambodia.

"I wish all our neighbouring countries would recognise only one Cambodia not many Cambodias. The SNC represents the unity of Cambodia."

The Khmer Rouge, Phnom Penh and two non-communist factions previously at war are represented on the SNC.

Hun Sen Visits Chuan; Minister Views Cambodia

BK1011065892 Bangkok Radio Thailand Network in Thai 0530 GMT 10 Nov 92

[Text] At 1030 today, Foreign Minister Squadron Leader Prasong Sunsiri and Deputy Foreign Minister Surin Phitsuwan accompanied Hun Sen, the prime minister of the Phnom Penh regime of Cambodia, as he visited Prime Minister Chuan Likphai at Government House. Reporting to newsmen, Surin said Thailand has tried hard to comply with the Paris agreement on Cambodia and is ready to support revisions to the agreement if they are necessary to create confidence among the parties concerned. Thailand does not want to see the Cambodians resort to the use of arms again because considerable time has already been spent on solving the problem. For the sake of cooperation between ASEAN and Indochina, any prolonging of the problem should be avoided. Surin said he wishes to assure that Thailand is neutral toward every Cambodian faction and hopes that the Cambodians themselves can come up with their own solution. Thailand's part is merely to provide support.

Regarding the UN desire to impose sanctions against the Khmer Rouge, the deputy foreign minister said if there is a UN resolution we will have to comply as much as possible. Perhaps there will be no compliance on matters which cannot be carried out, such as closure of the entire length of the border, because it is a major task which requires use of funds and manpower. It is an impossibility, but as a UN member participating in the efforts to resolve the Cambodian problem we will try to comply.

Prasong on 'Delicate' Review of Burma Policy

BK1011024592 Bangkok BANGKOK POST in English 10 Nov 92 p X

[Text] Foreign Minister Prasong Sunsiri yesterday reaffirmed Thailand's stand against isolating Burma but advocated a review of "measures" for conducting relations with this country.

Reviewing the Thai policy towards Burma would be a "delicate matter," he said, in response to a call from Deputy Interior Minister Chamni Sakdiset.

"We have to preserve existing relations," he said, adding that "what is needed is a review of the measures" to ensure that these relations do not deteriorate and Burma is not isolated.

Burma "is a neighbour and part of Southeast Asia," he said. "The isolation of Burma is not necessary," he added.

The minister did not elaborate on the "measures" that should be reviewed. But he said the review is timely because the situation has changed, in Thailand, in Burma and in the world at large.

The Foreign Minister urged Burmese students refusing to go to the safe camp in Ratchaburi Province to report before November 26th or face legal action.

He said he understood that the students feared entry into the safe camp because it would mean eventual deportation or detention in Burma.

But he said he has discussed the matter with Interior Minister Chawalit Yongchaiyut and believed that this would not happen.

He said he had urged the Interior Minister to understand that the students are not criminals who fled their homeland to create trouble.

The Minister also called on Gen Chawalit to reconsider the situation in terms of political implications, human rights and Thailand's image, he added.

Interior Ministry officials have been instructed to exercise due consideration in their dealings with the students, he said.

The officials are trying to separate genuine students from illegal immigrants, he added.

At a panel discussion at Chulalongkon University yesterday, National Security Council Secretary-General Gen Charan Kunlawanit stressed that Burmese students must meet the November 26th deadline as authorities have already delayed it on two other occasions.

Thailand is against foreign use of Thai territory as a "base for terrorism," he said.

Thailand has never supported ethnic minorities and has tried to persuade the ruling State Law and Order Restoration Council (SLORC) to be more democratic he added.

Burmese students are Burma's future, he said. Allowing them refuge in Thailand is already a concession he pointed out.

Their flight to Thailand showed that they were against the SLORC and that is why Thai authorities have to monitor them to ensure that they are not acting against the Burmese government, he added.

The Thai Government has spent 12 million baht in the renovation of the border police patrol camp in Pak Tho District of Ratchaburi Province where the safe camp is located, he said.

Thailand would not allow a government-in-exile to be set up on its soil, he stressed.

Human Rights legal expert Withit Muntaphon said unidentified illegal immigrants, rather than Burmese students, should be sent to the camp.

As from today, buses will be on standby at the Interior Ministry every Tuesday and Wednesday to take Burmese students to the camp.

The first group of about 20 students are scheduled to make the journey today, according to Foreign Affairs Division Chief, Praphakon Samitthi.

Burmese Karen Guerrillas Reportedly Kill Thais

BK1011102092 Hong Kong AFP in English 0958 GMT 10 Nov 92

[Text] Bangkok, Nov 10 (AFP)—Nine Thais, including six soldiers, were killed Tuesday in an attack inside Thailand by ethnic Karen guerrillas from Burma, it was reported here on national television. Details of the attack which took place in Thailand's Umphang border district were sketchy.

The other three dead were forestry officials, Channel 9 Television said.

Opposition Leader Pledges To 'Foster' Government

BK0711052292 Bangkok THE NATION in English 7 Nov 92 p A3

[Text] Chat Thai Party leader Praman Adireksan was formally named Opposition leader yesterday and immediately delivered a pledge to "foster" the Chuan government "as long as possible".

"We will constructively criticize the government for the sake of the national interest," Praman said after a ceremony at his residence to receive a Royal command naming him Opposition leader.

"We will perform our task honestly. We will try to foster the government as long as possible because Opposition MPs realize that changing it too often is harmful to national stability."

Leaders of other Opposition parties attended the ceremony.

Chat Thai is the biggest Opposition party with 77 MPs. Observers say the party's ultimate goal is not to overthrow the Chuan coalition, but to join it.

The Democrat Party of Prime Minister Chuan Likphai controls the Parliament presidency which has the crucial power to nominate the prime minister.

This would give the Democrats the upper hand if the coalition crumbled because Chuan could likely be renominated to the top office.

Chat Thai and its key Opposition ally, the Chat Phatthana Party, have avoided direct attacks on the Democrat Party and instead focused the Opposition assault on the Democrats' main coalition partners, the New Aspiration and Phalang Tham parties.

Meanwhile, Chat Phatthana Secretary-General Prachuap Chaiyasan said yesterday the Opposition parties were planning to form their secretariat which would serve as a centre to receive complaints.

The structure of the secretariat will be discussed when Opposition leaders meet on Tuesday, Prachuap said. Tentatively the members of the secretariat would be party leaders and secretaries-general.

The secretariat will also coordinate Opposition parties during crucial parliamentary sessions.

"We will try to make the Opposition's work the most systematic," said Prachuap said.

Official on Crisis Facing GATT, Uruguay Round

BK0711012492 Bangkok BANGKOK POST in English 7 Nov 92 p 1, 3

[By Peter Maitri Ungphakon and Somphon Thapanachai]

[Text] Negotiators from 108 countries have been called to an emergency meeting in Geneva on Tuesday in an attempt to prevent the US-EC oilseed dispute undermining the 40-year-old world trading system of the General Agreement on Tariffs and Trade.

The decision was reached yesterday at a crisis meeting of about 30 leading GATT members who are also key participants in the Uruguay Round of world trade talks. The purpose, according to a Thai official in Geneva, is to assign GATT Director General Arthur Dunkel to tell the Americans and the Europeans that the rest of the world is "fed up" with their feuding.

Mr Dunkel, who also chairs officials' level Uruguay Round negotiations will ask the two economic superpowers whether they want to continue with the six-year-old Uruguay Round that covers 15 topics ranging from agriculture and textiles to intellectual property and services, the Thai official said.

The decision was made as tension between the United States and the European Community increased following the US announcement on Thursday that it would impose prohibitive 200 per cent import duties within 30 days on an estimated $300 million-worth of European white wines and other goods.

The European Community was itself plunged into disarray with the announcement by EC Agriculture Commissioner Ray MacSharry that he was no longer willing to lead the EC's negotiating team on agriculture.

Mr MacSharry accused EC Commission President Jacques Delors of vetoing an agreement that Mr MacSharry reached with US Agriculture Secretary Edward Madigan in Chicago on Tuesday.

In London, British Prime Minister John Major, whose country currently holds the EC presidency, held urgent talks with Mr Delors, whose staff were busy-denying that the EC Commission president was about to resign.

EC trade ministers were also in emergency session north of London. And in Bonn, the German government tried to ease tension by stressing that the two sides were close to agreement and by declaring it would oppose the EC retaliating against the United States.

German Economy Minister Juergen Moellemann said the gap between the two was "ludicrously small" because "only half a million tonnes of oilseeds and 85,000 tonnes of wheat separate us."

The Thai official in Geneva described the present situation as a "two-stage crisis" threatening both GATT itself and the Uruguay Round which is an attempt to strengthen the GATT system both by defining new rules such as reducing agricultural subsidies and protection and by improving rule-enforcement and dispute settlement.

The decision to call Tuesday's emergency meeting of the so-called Trade Negotiations Committee, the full negotiating body of the 108 nation Uruguay Round, was reached at yesterday's consultations among about 30 key nations at the GATT headquarters in Geneva.

Some countries might send officials from their capitals to the Tuesday meeting, but most would delegate powers to their Geneva-based staff, the Thai official said.

Thailand participated in yesterday's talks, along with such countries as the United States, EC, Japan, South Korea, Malaysia Indonesia, the Philippines, India, Egypt, Hong Kong, Hungary, Australia New Zealand, Canada Switzerland and Scandinavian and Latin American nations.

Although the oilseed dispute and the deadlocked Uruguay Round of GATT talks are separate, the two crises are now closely related, the Thai official said.

The oilseed dispute arises because the EC has refused to accept a GATT ruling that the European oilseed subsidy violates international agreements.

The United States' threat to retaliate is being made outside GATT auspices because the EC blocked an attempt by Washington on Wednesday to seek authorisation for the sanctions from the GATT Council, the 105-nation pact's governing body.

Both the EC and the United States say their stalemate on new rules for reducing farm subsidies and protection cannot be settled unless the oilseed dispute is also settled.

This simultaneously undermines both the GATT dispute settlement process and the Uruguay Round, the Thai official said.

"I think that small developing countries like Thailand and others must use whatever little political pressure they have to remind the two that this is not a crisis of the Uruguay Round but a crisis of the GATT."

Most participants at yesterday's Geneva meeting were angry that they were being forced to sit on the sidelines while the United States and the EC threatened to wreck the world trading system, according to the Thai official.

Particularly offensive from the point of view of Thailand and many other countries was the attitude of the EC at yesterday's meeting, the Thai official said.

By his account, the EC described three options:

—Continued negotiations between the United States and the EC leading to an agreement within the remaining 29 days before the US retaliation takes place. This bilateral agreement would then be "multilateralised"—it would then be submitted to the rest of the Uruguay Round participants.

—Total failure bilaterally, leading to sanctions on December 5 that would kill totally the Uruguay Round.

—An extension of the 30-day deadline that Washington set for imposing sanctions.

According to the Thai official, the EC was the only country that appeared unconcerned if the Uruguay Round fails, although he added that this could have been a negotiating posture.

"I think it was a statement that was very selfish. It did not take account of the feelings of everyone else who want the Uruguay Round to succeed," the Thai official said.

"The burden is on the EC to do something," he added.

But he also retained some hope that the Uruguay Round would survive. The Thai official quoted informed sources as saying that only three top European officials blocked the MacSharry-Madigan agreement in Chicago—Mr Delors, French Agriculture Minister Soisson, and one other.

Earlier, senior Thai trade officials in Bangkok yesterday played down the seriousness of the US threat to impose sanctions against the EC in retaliation against oilseed subsidies.

Speaking on condition of anonymity, they said the two major economic powers have in the past managed to reach a compromise and avoid taking damaging actions against each other.

Officials Seek To Improve Saudi Ties

BK0711051492 Bangkok THE NATION in English 7 Nov 92 p A3

[Text] Priority will be given to solving the 1990 murder of three Saudi Arabian diplomats which has soured relations between Bangkok and Riyadh, Deputy Foreign Minister Surin Phitsuwan said yesterday.

He expected the murders would be solved and relations improved within the term of the Chuan government.

Surin said he and Foreign Minister Prasong Sunsiri had been instructed by Prime Minister Chuan Likphai to find ways of speeding up the two-year-old investigation.

"Incidents of this kind of take place not only in Thailand but in other countries as well," he said.

"But other nations have shown greater sincerity in their investigations and in revealing information."

He said the government would have to end all disputes between Thailand and Saudi Arabia, as it wanted to improve ties between the countries.

'Abdallah 'Abd-al-Rahman al-Basri, 32, a second secretary in the embassy's consular section, Fahd 'Abdallah al-Bahli, 35, his subordinate, and Ahmad 'Abdallah al-Sayf, 26 a telex operator, were shot dead in separate attacks near their residences in Yannawa district.

Al-Basri had replaced 'Abdallah al-Malki, 35, who was killed in Bangkok by a gunman in 1989.

One suspect was arrested, but the case has not been settled.

One day after the three diplomats were slain, Riyadh banned the recruitment of Thai workers and ceased issuing work visas.

Riyadh expressed dissastisfaction s over what it said was the inadequate protection of its diplomatic personnel in Bangkok.

It advised Saudis against travelling to Thailand.

Vietnam

Vo Van Kiet, ROK Ambassador on Economic Ties

BK0811154992 Hanoi VNA in English 1348 GMT 8 Nov 92

[Text] Hanoi VNA November 8—Prime Minister Vo Van Kiet received at the Presidential Palace here yesterday Ambassador Pak No-su, head of the liaison office of the Republic of Korea, who paid him a courtesy visit.

At the reception, the ambassador said the Republic of Korea greatly treasures the cooperative relations with Vietnam which, he hoped, would broaden in proportion to the potentials of [word indistinct] interested in oil prospection, which will be discussed with Vietnam by the Korean energy minister during his forthcoming visit to Vietnam, he said. He expressed the ROK Government's desire to sign soon with Vietnam cooperation agreements in economy, maritime, and air transportation and investment guarantee. He informed the prime minister of his government's decision to donate USD 50,000 to storm victims in central Vietnam and another USD 150,000 to help equip the liaison office in Seoul.

Prime Minister Vo Van Kiet, in his reply, said he wished that together with political relations, economic and trade relations, investment and other fields between the two countries will be broadened both in the short and long terms in the interests of the two countries and for peace, friendship, cooperation and development in the region and across the world.

High-Level Officials Receive South Korean Guest

BK0911153592 Hanoi VNA in English 1500 GMT 9 Oct 92

[Text] Hanoi VNA Nov. 9—Mr. Pak Tae-chun, co-chairman of the Liberal Democratic Party of the Republic of Korea and honorary president of the steel company Posco, currently on a visit here, today paid a courtesy visit to party General Secretary Do Muoi.

Present at the reception was Ambassador Pak No Su, head of the Liaison Office of the Republic of Korea.

Also today, Prime Minister Vo Van Kiet received Mr Pak and his party.

Mr Pak Tae-chun told the Vietnamese prime minister that the present relations between the two countries are good conditions for the cooperation and joint ventures in steel production between the two countries.

Prime Minister Vo Van Kiet, for his part, said that the Vietnamese Government will create favourable conditions for the cooperation programmes between Posco and the Vietnam Steel Corporation.

Also here today a ceremony was held at the government guest-house to sign a framework agreement on cooperation in building a steel smelter and rolling mill and a steel tube factory with a capacity of 200,000 tonnes/year between Posco and the Vietnam Steel Corporation and an agreement on the continued discussion for the establishment of a joint venture to produce pesticides with a capacity of 1,000 tonnes/year previously signed between Posco and the Vietnam Pesticides and Basis Chemicals Corporation.

SRV-Germany Friendship Association Meets 9 Nov

BK0911150592 Hanoi VNA in English 1454 GMT 9 Nov 92

[Text] Hanoi VNA November 9—The Executive Committee of the Vietnam-Germany Friendship Association met here today to review its work and discussed measures to strengthen its activities aimed at enhancing the friendship and cooperation between the two countries.

The meeting noted with satisfaction the development of the Vietnamese-German relations in many aspects in the recent period.

The participants deplored the decision of the FRG court to proceed with the trial of Erich Honecker who had greatly contributed to the development of the Vietnamese-German friendship.

Japan Gives Relief Aid to Flood Victims

BK0711150992 Hanoi VNA in English 1349 GMT 7 Nov 92

[Text] Hanoi VNA Nov. 7—The Japanese Government has decided to send a quantity of medicines and medical instruments, 3,400 blankets and 25,000 square metres of plastic roofing sheets worth 15 million yen (about 120,000 US dollars) as emergency aid to flood victims in the central costal provinces of Vietnam.

Senior Party Official Receives Lao Delegation

BK0911151792 Hanoi VNA in English 1456 GMT 9 Nov 92

[Text] Hanoi VNA Nov. 9—Nguyen Duc Binh, Politburo member and secretary of the party Central Committee, received here today a delegation of the Commission for Foreign Relations of the Lao People's Revolutionary Party led by Thongloun Sisoulith, member of the Central Committee, deputy head of the commission and deputy foreign minister, currently on a working visit here.

Present at the reception were Pham Van Chuong, deputy head of the party Commission for External Relations, and Khamphet Phengmeuang, Lao ambassador to Vietnam.

Addressing his guests, Nguyen Duc Binh said: "In the context of the changing international and regional situation, the solidarity and cooperation between the two parties and countries is all the more important because it is a significant contribution to the struggle for peace, stability and cooperation in the region."

While here, the Lao party delegation has working sessions with the External Relations Commission of the party Central Committee and the Ministry for Foreign Affairs.

Agricultural Agreement Signed With India

BK0911080692 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 3 Nov 92

[Text] At the invitation of the SRV Minister of Agriculture and Food Industry, Indian Agriculture Minister Balram Jakhar paid a working visit to Vietnam from 31 October to 3 November. During their working sessions in Hanoi, the two ministers reviewed the implementation of the Vietnam-India agricultural cooperation agreement and its results.

The two sides agreed to expand future cooperation in the fields of cultivation, animal husbandry, the training of agricultural specialists at university and post-graduate levels, and exchange visits of scientists from the two countries. The two ministers signed documents to implement projects in these fields.

Directive on Government Work Procedures Issued

BK0811115192 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 29 Oct 92

["Text" of Prime Minister Vo Van Kiet directive on work relations between responsible officials in various echelons of the administration; dated 29 October]

[Text] To perfect and implement the law on organization of the government, at its first meeting recently the government discussed its work regulations. The regulations specified work relations between the prime minister, deputy prime ministers, and various ministers.

The law on organization of the government and work regulations stipulated that deputy prime ministers shall help the prime minister carry out various tasks, provide guidance and supervision to sectors on behalf of the prime minister, and take direct responsibility in resolving issues related to their assigned tasks. Ministers should make consistent contacts with the prime minister, meet and work directly with the prime minister if warranted, and carry out tasks assigned by deputy prime ministers on behalf of the prime minister.

This procedure should be applied to the work relations between ministers and chairmen of people's committees of provinces and municipalities directly subordinate to the central government and between administrative cadres in provinces and the city. This is aimed at enhancing individuals' responsibility; ensuring uniform guidance; and overcoming bureaucratism, inconveniences, and sluggishness. Efforts must be made to overcome negative workstyle as evidenced by the holding of too many conferences to resolve very general issues; failure to formulate concrete measures to resolve major difficulties at key conferences; failure of officials to firmly grasp the situation in their sectors and localities; and chiefs of agencies deferring their duties to subordinate departments, offices, sections, and so forth. These officials should work directly with their subordinate agencies rather than hearing only reports filed by chiefs of these agencies.

Pending the official promulgation of the work regulations of the government, various ministries, and people's committees at various echelons, efforts must be made to promptly carry out the following tasks:

1. To firmly maintain the work relations between ministers and people's committee chairmen of provinces and municipalities directly subordinate to the central government, various ministers must work directly with people's committee chairmen of these localities or with people's committee vice chairmen on behalf of their chairmen to promptly fulfill the assigned tasks and quickly resolve issues under the jurisdiction of the ministers concerned. When deputy ministers are assigned to work with people's committee chairmen of provinces and municipalities, their viewpoints will be considered those of the ministers. Ministers and deputy ministers must strive to resolve requests sent to ministries by chairmen or vice chairmen of people's committees of provinces and municipalities directly subordinate to the central government, asking for help as soon as possible. Efforts must be made to save the time and energy of chairmen and vice chairmen of people's committees of provinces and municipalities who, as in the past, had to come and present their cases at departments and agencies concerned before receiving the attention of ministers. All departments and agencies concerned, upon receiving requests from people's committees of provinces and municipalities, must promptly report these requests—together with their viewpoints—to the ministers concerned to enable the latter to resolve issues directly with provinces and municipalities.

When requests of provinces and municipalities involve many ministries, the most concerned ministry must act as a link to discuss with other ministries resolution of the problem. Efforts must be made to save the time of chairmen and vice chairmen of people's committees of provinces and municipalities who, as in the past, had to come to each ministry to present their cases.

2. Regarding tasks beyond the authority of ministers, chairmen or vice chairmen of people's committees of

provinces and municipalities directly subordinate to the central government must present their cases to the prime minister or deputy prime ministers. In this case, ministers and the chief of the office of the prime minister must organize a meeting for the prime minister or deputy prime ministers to work directly with chairmen or vice chairmen of people's committees. Efforts should be made to save the time of people's committee chairmen in going from one office to another to present their cases. Decisions made by deputy prime ministers on these cases will be considered to be those of the prime minister.

3. Those provisions under articles 1 and 2 of this directive also apply to chiefs of government agencies in charge of state management over sectors or domains of work throughout the country.

4. The same principle applies to the working relations between chairmen of provincial or city people's committees and directors of services and chairmen of district or precinct people's committees. Chairmen of provincial or city people's committees must personally work with chairmen of district or precinct people's committees as well as with directors of services. In case the chairman of a provincial or city people's committee nominates a deputy chairman to attend a working session on his behalf, the views of the deputy chairman will be regarded as valid as those of the chairman himself. Directors of services must personally work with chairmen of district or precinct people's committees in handling those affairs falling under their charge, as well as in helping the districts and precincts with their managerial and organizational work to bring about good results. If necessary, a director may appoint a deputy director to represent him at a working session. The views of the deputy director must be regarded as valid as those of the director himself. Therefore, the director must be held accountable for his deputy director's views.

In case a request made by a district or precinct has to do with more than one service, all those special services involved must organize work and handle the issues in question according to the above-mentioned procedures already set for the ministries.

5. The same principle applies to the working relations between chairmen of district or precinct people's committees and chairmen of quarter or village people's committees. Chairmen of district or precinct peoples's committees must devote most of their time to touring quarters and villages to resolve problems on the spot, thus greatly reducing the number of joint meetings of officials concerned, including chairmen of quarter or village people's committees, to solicit everyone's views. In case the chairman of a district or precinct people's committee nominates a deputy chairman to work with chairmen of quarter or village people's committees on his behalf, the views of that deputy chairman must be regarded as valid as those of the chairman himself. The chairman, however, must be held accountable for the views of the deputy chairman.

In order to work out accurate, quick, and complete problem-solving methods aimed at making it less cumbersome and less difficult for the lower echelons to discharge their duties, ministers, deputy ministers, chiefs of agencies under the management of the government, and chairmen and deputy chairmen of provincial or city people's committees must work closely with the grassroots levels and must firmly grasp real life situations. Chiefs of agencies at each echelon must be the first to be held accountable to both the upper and lower echelons. It is necessary to develop the wisdom of collectives while at the same time upholding the sense of individual responsibility for making everyone understand and implement the guidelines of the upper echelons, as well as for resolving practical problems raised by the lower echelons.

Upon receiving this directive, ministers and chairmen of provincial or city people's committees must study it and take measures to improve their workstyle a step further. If they deem it necessary to amend the above-mentioned provisions to make them consistent with the situation, ministers, chiefs of agencies under the management of the government, and chairmen of provincial or city people's committees are encouraged to air their views to the prime minister.

Vo Van Kiet Issues Instructions Against Smuggling

BK0511134192 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 26 Oct 92

[Text] Recently, Prime Minister Vo Van Kiet held a working session with Comrades Pham Tam Long, deputy minister of interior; Pham Van Sy, deputy minister of finance; and Le Minh Khue, deputy director of the Railway Service Federation; on urgent work dealing with goods smuggling on the Lang Son-Hanoi railway line. He emphasized that smuggling on the Lang Son-Hanoi railway line has become very serious in recent months. The mass media such as the newspaper NHAN DAN, Vietnam television, and Vietnam radio have carried articles, reports, and pictures about the smuggling. People from all strata have become upset and have condemned the smuggling. All responsible organs have the duty to urgently dealt with and immediately stop the smuggling.

Prime Minister Vo Van Kiet issued the following instructions:

1. The Ministry of Interior must urgently investigate the smuggling cases that have time and time again occurred on the Lang Son-Hanoi railway line. The investigation must include smugglers and cadres working in responsible organs and on the railway line itself who have assisted the smugglers. All discovered cases with sufficient evidence must be quickly prosecuted without waiting for complete details concerning all the cases involved. The Ministry of Interior is to discuss with the people's organs of control and courts concerning special measures to be applied on the spot when smuggling cases

are uncovered. All responsible organs are to study the articles of the Criminal Law and Criminal Prosecution Law so that they can be amended by the National Assembly to become better suited to the new situation.

2. The Ministry of Finance must immediately examine the taxation officers of Lang Son Province. If the reports on the performance of the Lang Son Province Taxation Service are correct, then the minimum measure to be applied is the immediate suspension of duty of the head of that provincial taxation service. At the same time, strict measures must be used in dealing with other cadres who have assisted smugglers. Unreliable cadres working in the service must be replaced immediately. The taxation service mechanism in Lang Son must be cleaned up. The Ministry of Finance is to consult with the Ministry of Interior and the Vietnam Railway Federation to reorganize the tax collection service in order to guarantee proper tax collection. Smugglers are not only to suffer administrative measures but also all their goods will be seized and they will have to pay taxes many times greater than the value of their smuggled goods.

3. The Vietnam Railway Federation must closely check all Lang Son-Hanoi trains. From now on, all trains are not to transport any smuggled goods. If they are discovered transporting smuggled goods, then the director of the federation must bear responsibility under the law. Workers and cadres working on the trains that carry smuggled goods must be strictly dealt with. The cadres in charge of those trains must be discharged and prosecuted under criminal law. At the same time, the Ministry of Communications and Transport must quickly discuss with the Ministry of Interior and Ministry of Finance about measures to improve their cooperation and coordination.

4. The people's committee of Lang Son Province has the responsibility for checking and directing all the province's related organs and coordinating with central organs to implement the aforementioned instructions. It is to apply severe punishment on those cadres and staff members who break the law in order to quickly stop the smuggling in that province.

Prime Minister Vo Van Kiet also demanded that all instructions be urgently carried out and the results reported to him as soon as possible. The ministers of interior, finance, and communications and transport and the chairman of the Lang Son Province People's Committee are accountable to the prime minister on the goods smuggling in Lang Son and on the Lang Son-Hanoi railway line.

Ho Chi Minh City Holds Antismuggling Conference

BK0511144192 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 28 Oct 92

[Text] On 27 October, a conference on combating smuggling in the border provinces of southwest Vietnam and other provinces was held in Ho Chi Minh City. The conference discussed regulations and major coordination measures in the fight against smuggling: information exchange on smuggling activities and methods, checks and control against smuggling, and assessment and punishment enforced against smugglers. The conference confirmed that coordination within the entire area along with public participation are very important requirements for countering smuggling at present. Initially, coordination efforts are to center on finding thousands of illegally imported vehicles hidden in different localities, launching a uniform campaign to wipe out foreign cigarettes, and arresting document forgery gangs.

Ministry To Set Up Special Anticorruption Court

BK0611092692 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 31 Oct 92

[Text] According to the paper SAIGON GIAI PHONG, Justice Minister Nguyen Dinh Loc recently met with representatives from various law enforcement organs and the justice sector in Ho Chi Minh City to obtain views on establishing a special court to try major corruption cases.

Almost all of these representatives felt that it is necessary to establish such a court, considering this an effective measure to quickly and scrupulously try various major corruption cases.

Minister Nguyen Dinh Loc took note of their views and disclosed that he will strive to modify the draft law on the special court and quicky finish procedures for submitting it to the National Assembly at its second session late this year.

Vo Van Kiet Visits Inspection Agency

BK0911063592 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 2 Nov 92

[Text] On 29 October, Prime Minister Vo Van Kiet paid a working visit to the State Inspection Agency [SIA]. Comrade Nguyen Ky Cam, member of the Communist Party of Vietnam Central Committee and director general of the SIA, briefed the prime minister on activities of the agency during the past years, and its tasks and orientations for the days ahead.

Prime Minister Vo Van Kiet highly commended the agency for its efforts and achievements scored during the past period. He said: The inspection sector plays a very important role in building the law-governed state, ensuring social order and discipline, and promoting socioeconomic development. At present, our party and state are speeding up the movement to eliminate corruption, smuggling, and waste while striving to purify the state management mechanism. As a result, the inspection sector will have more work to do, thus various echelons are required to pay more attention to dealing with violations to the people's rights and interests.

To satisfactorily carry out these tasks, the inspection sector must strive to improve its organization, enhance the capability of cadres, assign more competent officials to work at various sectors and echelons, and formulate plan to train more cadres to meet requirements in the new situation. The government will strive to formulate appropriate policy toward cadres of the inspection sector and will provide it with more material bases and other facilities.

Prime Minister Vo Van Kiet urged the inspection sector to prepare a draft amendment to the law on inspection work for presentation to the authorized agency. He also urged the sector to study and perfect the draft law on organization of the administrative court for submission to the National Assembly. The prime minister asked the inspection sector to expand cooperation with foreign countries to exchange views and experiences with its counterparts in various nations.

Do Muoi Receives Newly-Elected Buddhist Leaders

BK0911141392 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 4 Nov 92

[Speech by Do Muoi to representatives of the new Sangha Council and Executive Council of the Vietnam Buddhist Church, VBC, Central Committee at a reception held after the closing session of the VBC Third National Congress on 4 November at the Presidential Palace—announcer read]

[Text] Dear Venerable Thich Tri Tinh, president of the Executive Council of the Vietnam Buddhist Church [VBC]; Venerable Thich Minh Chau, vice president and secretary general of the VBC Executive Council; and members of the VBC Sangha Council and Executive Council.

First of all, I would like to congratulate the success of the VBC Third National Congress. With the VBC tradition of concord, unity, and unification and its correct direction on religion, nationality, and socialism, Buddhism in our country has always linked the nation in the struggle for independence, freedom, and socialist construction. Due to its great contributions to the national undertaking, the VBC was conferred with the Ho Chi Minh Order by the state. On this occasion, I would like to warmly congratulate the VBC for its noble award.

Our country is conducting its renovation with encouraging initial results in all fields of social life with the contribution of Buddhist monks, nuns, and followers in the country. We believe that they will receive the success of the VBC Third National Congress with great happiness and they will further accelerate the movement of better life, better religion, and contributing to the undertaking of prosperity, freedom, and happiness for the public and Buddhist monks and nuns in the entire country. I hope that they will, together with the public, actively take part in the national protection and construction, heighten their morality to preserve the national good morals and good customs, and participate in all social welfare activities, helping the national renovation gain greater achievements with every passing day. At the same time, I hope that they will increase unity with Buddhist monks, nuns, and followers in the world for peace, national dependence, democracy, and social progress.

We believe that the overseas Vietnamese monks, nuns, and followers will direct their attention to our homeland and participate with their countrymen in building a Vietnamese fatherland of increasing beauty and prosperity. The VBC direction of concord and unity with foreign counterparts is both meeting the Buddha's teachings and Ho Chi Minh thoughts on great unity and great success. We will direct and instruct the party committees and government at all levels for better implementation of the party and state's policy on religious freedom and on religions.

I sincerely wish the president and members of the VBC Executive Council and Sangha Council good health, and through you, I would like to send my heartfelt congratulations and regards to the Buddhist monks, nuns, and followers in the country. Thank you all.

Leaders Receive Buddhists

BK0511142392 Hanoi VNA in English 1400 GMT 5 Nov 92

[Text] Hanoi VNA Nov.5—President Le Duc Anh and Prime Minister Vo Van Kiet received at the presidential palace here today a delegation of the new Sangha Council and Executive Council of the Vietnam Buddhst Church [VBC] Central Committee.

The delegation composed of newly-elected members of the two councils was headed by the Most Venerable Thich Tri Tinh, president of the Executive Council of the Buddhist Church.

President Le Duc Anh warmly welcomed the results of the third congress of the VBC held in Hanoi from Nov. 2-4. He said that the world situation has strongly affected Vietnam in all fields, economic, political and ideological.

"However", he said, "our fatherland and our political system are strong and are growing ever stronger. We have gained initial but extremely important achievements as a result of the great efforts and the unwavering sense of national independence, sovereignty and self-reliance of the entire party, army and people including the Buddhist faithful".

Also today, the Sangha Council and the Executive Council of the Buddhist Church paid a courtesy visit to the central committee of the Fatherland Front, People's Committee, People's Council and Fatherland Front of Hanoi.

Tran Duc Luong Speaks at Mineral Resources Group

BK0911140692 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 3 Nov 92

[Text] The Committee for Coordinating Joint Prospection of Mineral Resources in Asian Offshore Areas (CCOP) opened its 29th annual session on the morning of 3 November 1992 in Hanoi. The session was jointly hosted and directed by the Ministry of Heavy Industry and the Vietnam Oil and Gas General Corporation. CCOP is an inter-governmental organization founded in 1986 and is comprised of 11 East Asian nations. Its main objectives are to give technical assistance to member countries and secure the transfer of technology and specialists in support of archeological research and prospection and preservation of mineral resources in East Asian offshore and coastal areas.

Apart from the coordinated action and mutual assistance of CCOP member countries in the above-mentioned domains, the organization also has the collaboration of the United Kingdom, Canada, Germany, the United States, Norway, Japan, the Netherlands, France, Russia, and other countries.

Attending the 29th CCOP annual session were more than 90 foreign delegates from member countries, collaborating countries, and international organizations, as well as more than 30 Vietnamese delegates representing the various ministries and sectors concerned. Deputy Prime Minister Tran Duc Luong attended the session and delivered the opening speech.

The main objectives of the session were to assess the implementation of the various CCOP-initiated programs over the past years, review the reports submitted by member countries, and set forth plans for 1993 and the 1993-96 period.

Nguyen Duc Binh Attends Political System Seminar

BK0911071592 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 2 Nov 92

[Text] On 2 November, the Nguyen Ai Quoc Institute organized a scientific seminar on implementation of socialist democracy in Vietnam's political system. Attending the seminar were Comrade Nguyen Duc Binh, member of the Communist Party of Vietnam Central Committee Political Bureau concurrently secretary of the party Central Committee and director of the Nguyen Ai Quoc Institute; specialists and researchers of the Institute of Marxism-Leninism, the Social Science Institute, and the College of Religion Studies.

The seminar is organized under the theme of the KX-05 project, a significant social science project designed for the 1991-95 period. The objectives of the project are to perfect and concretize a theoretical basis for the building of a firm political system in our country during the transition period toward socialism and in the current complicated international situation. The seminar will stress the significance of our social system in which the people are masters, the party leads, and the state manages. The KX-05 project has been implemented during the past eight months. Hundreds of scientists and specialists have made their great efforts to fulfill this project.

General Doan Khue Greets Engineer Regiment

BK0511141192 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 29 Oct 92

[Defense Minister Doan Khue's letter to 219th Engineer Regiment of the Huong Giang Army Corps on its 40th founding anniversary; date not given]

[Text] Dear comrades, on the 40th anniversary of the founding of the 219th Engineer Regiment, 31 October 1952-31 October 1992, I warmly greet and give my best wishes to all cadres, combatants, defense personnel and workers, wounded and sick soldiers, families of fallen combatants, and regiment retirees.

Under the leadership of the Communist Party of Vietnam [CPV] and esteemed beloved Uncle Ho, with the support and assistance of the people, and in the 40 years of struggling and building, the 219th Engineer Regiment—the former 106th Engineer Batallion—has made steady progress and achievements.

Its various generations of cadres, combatants, and defense personnel and workers have helped develop the revolutionary character and the glorious tradition of the Vietnam People's Army [VPA], as well as the heroic Army Engineer Corps' tradition of struggling for victory. This corps has maintained its loyalty to the party, strived to strengthen unity, struggled to overcome all ordeals and difficulties; and worked actively, creatively, and selflessly. It has also effectively and boldly carried out combat support work and has satisfactorily fulfilled all assigned tasks.

The regiment has been awarded with the victory banner by Uncle Ho and has been recognized by the party and state as a heroic unit of the VPA. Its many units have received heroic titles and other noble awards. The regiment's achievements have contributed to national defense and unification, the building and defense of the socialist Vietnamese fatherland, and the fulfillment of lofty international obligations.

On this occasion, I highly commend you comrades for your efforts and achievements of the past 40 years.

Dear comrades, under the party leadership, our nation's renovation undertaking has made initial yet very important achievements. However, difficulties and ordeals still prevail. To contribute to successfully implementing resolution of the Seventh CPV Congress, the resolutions of the party Central Committee, and the resolutions of the Military Commission of the party Central Committee and the Ministry of National Defense, I urge you comrades to firmly grasp and seriously implement lines and policies of the party and state, and to effectively carry out the tasks of the army, the Engineer Corps, and the Huong Giang Army Corps. Efforts should be made to improve your knowledge of politics, to advance along the socialist path, develop the spirit of self-reliance, to work actively and creatively, to improve training, strengthen combat readiness, promote unity, observe discipline, improve the daily life of soldiers, keep close to the people, to build a firm and strong regiment in all aspects, and satisfactorily fulfill all assigned tasks, thereby being able to maintain your noble title as a heroic unit of the VPA.

I wish you comrades good health and ever greater achievements in the new revolutionary stage.

My cordial and determined-to-win salutations to all of you.

Vo Tran Chi, Others Attend Anniversary Meeting

BK0711072392 Hanoi VNA in English 0601 GMT 7 Nov 92

[Text] Hanoi VNA November 7—a mass meeting was held in Ho Chi Minh city on Nov. 6 to mark the 75th anniversary of the Great October Socialist Revolution (Nov.7).

The meeting was attended by Vo Tran Chi, Politburo member of the Communist Party of Vietnam (CPV) Central Committee and secretary of the Ho Chi Minh City party committee Tran Trong Tan, member of the CPV Central Committee and deputy secretary of the Ho Chi Minh City party committee Truong Tan Sang, member of the CPV Central Committee and acting chairman of the municipal people's committee and representatives of the people's council, the fatherland front committee and mass organizations in the city.

Representatives of the general consulates of Cuba and Laos were also on hand.

In his commemorative speech, Tran Trong Tan said :

"The Communist Party of Vietnam has always underlined the tremendous historic significance of the October resolution and maintained that socialism is the only path for the working people to free themselves from oppression, poverty and backwardness. We will forever remember the sacrifices made by the combatants in the October revolution and the great assistance, both material and spiritual, given by the Soviet party, government and people over many years in the past to the Vietnamese people's revolution. We are grateful to President Ho Chi Minh who opted for the path of the October revolution, creatively applied it to Vietnam, built up a party along the principles of the party of a new type set up by Lenin and upheld the banner of national idependence and socialism".

On this occasion, the Social Science Department of the city party committee, the Social Science and History Association and the City Museum arranged a discussion on the significance of the October revolution, cultural and artistic activities were also held in many parts of the city in honour of the anniversary.

Course Opens To Train Japanese Language Teachers

BK0911083592 Hanoi VNA in English 0715 GMT 9 Nov 92

[Text] Hanoi VNA Nov. 9—A course to train teachers of the Japanese language opened in Hanoi today within the framework of a cooperation programme between the Ministry of Education and Training (MET) and Sendagaya, a Japanese language instituted in Tokyo. Sendagaya is operating in conjunction with the peace association Sasagawa in this programme.

The six-month course, the first of a series to be held by the newly-created Japanese language centre under met, will provide refresher training to some 30 Vietnamese who have engaged in teaching Japanese, or who have already some grounding in this language.

The teaching of the first courses, in roughly two years and a half, will be mainly undertaken by Sendagaya's Director Imai Mikio author of Wakaru Nihongo, a very popular manual for beginners.

Bank Gives Same Rates to State, Non-State Firms

BK0811160192 Hanoi VNA in English 1355 GMT 8 Nov 92

[Text] Hanoi VNA Nov. 8—The Vietnam state bank has decided that from now on the state-owned and non-state enterprises alike are entitled to borrow capital from the bank at the same interest rates.

According to the statistics of the Vietnam Bank for Agriculture by the end of August this year, it had lent more than 1,000 billion dong (about 100 million US dollars) to 1.3 million peasant households in various provinces.

So far, after seven lending drives which usually corresponded with crop season, most of the borrowers have repaid both capital and interest. The number of overdue debts is negligible.

In the first six months of this year the Vietnam Bank for Industry and Commerce lent to the non-state sectors more than 510 billion dong (about 51 million US dollars).

As regards the private production establishments, the loans have helped them develop production, especially handicraft production.

The "Lien Viet" joint venture company has produced 12 kinds of instant noodle "miliket" with a monthly turnover of 10 billion dong (one million USD).

The Nguyen Dinh sicssors factory in Ho Chi Minh City has exported 300,000 pairs of scissors to 10 countries.

Other products such as garments, leatherware, shoes, sandals, soap and toothpaste, produced by private enterprises are successfully competing with those imported from Thailand, Hong Kong, China and Singapore.

More than 2,770 private businesses have opened their accounts at the Vietnam Bank for Industry and Commerce.

Growth of Private Economic Sector Detailed

BK0811073292 Hanoi VNA in English 0248 GMT 8 Nov 92

[Text] Hanoi VNA Nov. 8—Hanoi is together with Ho Chi Minh City one of the two cities of Vietnam where private economy has recorded the strongest growth in recent years.

In 1989, the first year of the new policy to encourage the private economic sector, the People's Committee of Hanoi issued business licences to 45 units with a prescribed capital of nearly 12 million dong (nearly 1,000 US dollars) and 2,290 workers.

In 1991, the number of licensed enterprises and companies had reached 67 with a registered capital of more than 22 billion dong and a workforce of 4,700 workers.

By the end of 1991, however, five of them were closed down for failure to observe the licences' terms and 34 others went out of business after making continual losses.

At present, Hanoi has 102 companies with limited liabilities, 5 stock companies and 162 private enterprises with a registered capital of nearly 100 billion dong.

Most successful so far have been the Bemes roofing materials enterprise, the Anh Sao (SEL) Electronic company and the forest products processing company.

Bemes is a stock company specializing in plastic roofing sheets which have been exported to Thailand and Hungary. Bemes is cooperating in a joint venture with Hungary capitalized at one million US dollaars. It plans to form a similar joint venture with Russia.

The Anh Sao Electronics Company Limited (SEL) which used to produce amplifiers and loudspeakers is now importing electronic components to assemble black-and-white and colour televisions.

Sel has entered into joint venture with the Gold-star Company of South Korea to assemble electric applicances by the SKD method. It is equipped with a 200,000 USD assembly line by Gold Star. In the first 7 months of this year it chalked up more than one billion dong in turnover, equivalent to a medium-sized establishment of the same type in the state sector.

The forest products processing company specializes in furniture for export. Income per head of worker of this establishment is higher than that in a state-owned enterprise of the same size.

A number of other private enterprises are investing in arts and crafts such as ceramics, pottery carving, lacquerware, sculpture, embroidery, lace, ready-made clothes, interior decoration equipment, electric and electronics appliances, etc. Most of their products are exported to Poland, Hong Kong, Canada and Russia.

The city and district authorities have created more and more conditions for the private enterprises such as allotting them land for building houses and workshops, allowing them to conduct direct import and export operaations, issuing permits to go abroad for market investigations, or allowing them to or joint ventures inside and outside the country.

Private Enterprises, Companies in Hanoi Analyzed

BK0611145992 Hanoi VNA in English 1438 GMT 6 Nov 92

[Text] Hanoi VNA November 6—By August this year, 100 or so private companies and enterprises had been registered for operation in the capital city, or 35 units more than in 1990, the second year Hanoi's businessmen benefited from the law on free interprise. Their total legal capital registered so far was more than 70 billion dong, an increase of 48 billion over 1991 and 51 billion over 1990.

Total turnover and tax payment have also increased accordingly. In 1990, their production and trade turnover was put at 5 billion dong and tax payment 563 million. These figures were respectively four and two times higher than in the previous year.

But not all the licensed companies have been operating profitably. In late 1991, five companies were dissolved and 43 others forced to close down either due to suffering great losses or all available capital resources on developing profitable and labour-intensive businesses in both state and private sectors to generate more jobs for working people. Thus, private businessmen have received greater support from the municipal authorities in getting access to land lease and permission to have direct contacts in import-export operations and overseas trips to explore new outlets, and enlist joint partnership for further fundings in expanding their production.

As a matter of fact, most of the private companies in the city with limited financial and technical resources have preferred to engage in such traditional labour-intensive occupations as pottery and ceramics, wood carvings, lacquering, embroidery, tailoring, weaving, interior decoration, construction services, and forest and farm produce processing.

Thus, a newly established company in forest product processing has emerged as a promising business. In the first eight months of 1992, this company grossed a monthly turnover of about 1 billion dong and ensured permanent work for 300 workers with a stable monthly income per capita ranging from 200,000 dong to 400,000 dong, a relatively high income among Hanoi's wage earners nowadays.

PM Extends Business Reorganization Work

BK0911094992 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 3 Nov 92

[Text] Authorized by the SRV prime minister, the Office of the Prime Minister recently sent a message to inform sectors concerned that the prime minister has decided to extend the dateline for reorganizing activities of state-run business establishments as stipulated in Decision No. 196-CP dated 5 June 1992 by the chairman of the Council of Ministers—now the prime minister—to 31 December 1992 at the latest.

The contents and methods of reorganizing activities of state-run business establishments remain the same as stipulated in Decision No. 196-CP.

Ministry Closes 11 Provincial Publishing Houses

BK0611112392 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 31 Oct 92

[Text] Recently the Publication Department of the Ministry of Culture and Information coordinated with responsible organs to deal with violations of regulations on publishing cultural products in different provinces and cities, resulting in the closure of many local publishing houses. Since 1991, 11 publishing houses in the provinces of Kien Giang, An Giang, Hau Giang, Binh Dinh, Quang Ninh, Khanh Hoa, Quang Ngai, Song Be, Long An, Tien Giang, and Tra Vinh have been closed for violating publishing regulations. The Publication Department also integrated six publishing houses of different ministries and sectors into three houses.

Lately, the department and responsible Hanoi organs have been trying to locate some printing enterprises which illegally printed lunar calendars for the Year of the Rooster and books about fortunetelling and superstitions. It also held a working session with the Vietnam Confederation of Trade Unions about the latter's permission to publish four unhealthy books titled *The Forbidden Area, The Third Person, Illegal Residence,* and *Love Icon* in Ho Chi Minh City without proper licenses.

Bac Thai Province also conducted checks and confiscations of illegal printing products. Ho Chi Minh City issued a statement giving details about the printing of labels and packaging of consumer products, books, and calendars for convenient checks by the responsible city organs.

Swiss-Funded Management Program To Start

BK0911140892 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 4 Nov 92

[Text] This morning in Hanoi, Swiss Ambassador to Vietnam Pierre Friederich, representing the Swiss Government, and Professor Pham Minh Hac, deputy minister of education and training, representing the Vietnames Government, signed an agreement to establish a Switzerland-AIT [Asian Institute of Technology] management development program in Vietnam.

The program will receive a fund of $4.32 million from Switzerland over a period of five years during which refresher courses will be held for 120 university teachers of business management, of whom 60 will attend postgraduate courses on international business management. The program will also help four Vietnamese colleges—the Hanoi Polytechnic College, the Hanoi National College of Economics, the Ho Chi Minh City Polytechnic College, and the Ho Chi Minh City College of Economics—and other colleges build their curricular on business management, organize refresher courses and seminars for managers of state-owned or private enterprises, and provide consultancy services for enterprises.

The Switzerland-AIT program will start in January 1993.

Australia

Keating Urges G-7 Decision on GATT Talks

OW0711091092 Tokyo KYODO in English 0901 GMT 7 Nov 92

[Text] Tokyo, Nov. 7 KYODO—Australian Prime Minister Paul Keating has urged the world's seven economic powers to bring the stalled world trade talks to a successful conclusion by the end of this year, Japanese officials said Saturday.

Keating made the appeal in letter sent to Japanese Prime Minister Kiichi Miyazawa and the leaders of the other group of seven (G-7) industrial countries, the officials said.

Writing on behalf of 28 farm exporting countries and Asian and Scandinavian nations, Keating said the G-7 leaders are required to intervene because they pledged to wrap up the trade talks at their past three summit meetings.

Keating warned world confidence in the multilateral trade system may be lost if the Uruguay Round of talks under the General Agreement on Tariffs and Trade (GATT) remains deadlocked.

He expressed grave concern, among other things, about delayed talks over agricultural policy between major negotiating parties.

Keating's comments apparently refer to the dispute between the United States and the European Community (EC) over how to reduce agricultural subsidies, including their latest row over EC oilseed subsidies.

The dispute over oilseeds is a separate issue from the Uruguay Round, but it is holding the round hostage as bilateral talks collapsed in Chicago on Tuesday.

The round began in 1986 and covers 15 sectors from agriculture to services, but have been bogged down for nearly two years over the U.S.-EC farm subsidies dispute.

Chinese Boat People Deported From Island

BK0711080692 Hong Kong AFP in English 0755 GMT 7 Nov 92

[Text] Canberra, Nov 7 (AFP)—Australia deported 113 Chinese boat people from its remote Indian Ocean territory of Christmas Island to China on Saturday, the Department of Immigration said.

The largest single group of Chinese boat people to reach Australian waters, they were flown to Guangzhou, capital of southern Guangdong Province, a week after they illegally arrived at Christmas Island, the department said in a statement released here.

The authorities had earlier hinted that the group—99 males and 14 females, including an unspecified number of children—would be moved from the island, 2,800 kilometres (1,730 miles) west of Darwin, to Port Hedland detention centre on the coast of Western Australia.

They were flown out of the country as a third group of Chinese asylum seekers arrived to join demonstrators and hunger strikers who have been here for two weeks to publicise their demands.

Permission for the boat people on Christmas Island to enter and remain in Australia was formally refused Saturday morning after immigration officials completed interviews and considered statements made by them, the department said.

A spokesman for the demonstrators here, Han Shang Xiao, said they were worried because Australian immigration officials "know so little about the situation in China."

Guarantees by Chinese officials that people would not be mistreated or discriminated against for leaving China and applying for asylum in Australia were unreliable and should not be accepted by Australian authorities, Han said.

Australians "always trust, use or rely their policies on assurances from the Chinese Communist Party who will never give honour to their promises," he said, adding: "This is common knowledge."

Australia-Taiwan Business Council Meets

BK0911101092 Hong Kong AFP in English 0824 GMT 9 Nov 92

[Text] Melbourne, Australia, Nov 9 (AFP)—Taipei's blueprint of its 300 billion U.S. dollar six-year development plan lacks detail, making it hard for potential investors, Australia's top trade officer in Taiwan said here Monday.

"Perhaps a lack of specifics is better when it comes to keeping foreigners interested," said Robert O'Dovovan, head of the Australian Commerce and Industry office in Taiwan, who was until recently Canberra's unofficial "ambassador" to Taipei.

O'Donovan was speaking at the eighth joint conference of the Australia-Taiwan Business Council.

His comments followed those of Hsiao-I Tung, vice minister for transportation and communications, who outlined the enormous infrastructure development Taiwan proposed to undertake in its six-year plan launched in 1991.

The plan calls for a high-speed rail link between Taipei and Kaohsiung, a fourth nuclear power plant, highway and airport expansion, state-of-the-art telecommunications, and mass transit for the country's main cities.

O'Donovan noted some 775 projects backed by the country's 89 billion U.S. dollars foreign exchange reserves, but questioned whether the plan was "part of the endless beauty contest between Beijing and Taipei."

"The six-year plan has been a very successful media exercise—it has got the attention of the world's press but less so the world contracting community and the businesses that serve them," he said.

Taiwan has become a significant market for Australian exports, ranked sixth, as well as having become its fourth largest source of imports behind Japan, the United States and Germany, and both are growing rapidly.

Australia, while maintaining official recognition of Beijing as the "one China," has been steadily moving towards closer ties with Taipei.

Tourism and Resources Minister Alan Griffiths made an "unofficial visit" there last month, the first by an Australian minister in 20 years, and the two countries recently established direct air links.

Griffiths told AFP he saw "many opportunities" for Australian investment in joint ventures in Taiwan and for Taiwanese investment in Australia, particularly in resource areas such as coal and liquified natural gas.

O'Donovan told AFP that while the six-year plan was "the biggest public works programme in the world," it was not strictly a plan but "a wish list."

The 300 billion dollar price tag "is almost certainly more than Taiwan can afford."

Government hopes that the private sector will be an extensive investor in public works "has not been realised," its attention focused more on making money in mainland China rather than building high-speed trains in Taiwan.

But O'Donovan said that the need for Taiwan to improve its infrastructure to maintain economic growth and provide public facilities for its population meant much of the project work would be completed, "although perhaps not in the six year time frame."

Islanders Consider Constitutional Referendum

BK1011094692 Melbourne Radio Australia in English 0500 GMT 10 Nov 92

[Text] Partial results, after last week's constitutional referendum in the Western Pacific territory of (?Palau), share an unexpectedly close vote.

South Pacific correspondent Jemima Garrett said the referendum will intend to pave the way for the repeal of controversial antinuclear provisions of the last Constitution. A 75-percent majority in the territory-wide plebiscite is needed to repeal the antinuclear provisions. Last week's referendum asked the voters to reduce the electoral test on the antinuclear provisions to just over 50 percent and the [word indistinct] expected to pass easily. But with more than two-thirds of the vote counted the result is still too close to call.

Fiji

Rabuka Meets Opposition on Review of Constitution

BK1011074692 Melbourne Radio Australia in English 0500 GMT 10 Nov 92

[Text] Fiji's Prime Minister Sitiveni Rabuka has had talks in Suva with leaders of the two main opposition groups on the proposed review of the constitution.

Major General Rabuka met the leader of the opposition and National Federation Party leader (Jairam Reri) and labor leader (Mahendra Chodoury). All three agreed to maintain dialogue on a continuous basis. The National Federation and the Labor Party have complained that the constitution, brought in after General Rabuka 1987 coup, discriminates against the ethnic Indian community.

Gen. Rabuka promised to review and return for labor support so he could become prime minister after the general election last May. However, political analysts say that the Rabuka Government's plans for review are linked to other issues and the process could be too drawn out for the opposition parties.

Budget To Include $94.5 Million Deficit

BK0611053092 Hong Kong AFP in English 0510 GMT 6 Nov 92

[Text] Suva, Nov 6 (AFP)—Fiji's government announced Friday a 94.5 million U.S. dollar deficit for 1993 while warning the Pacific island nation's public spending must be curbed.

Finance Minister Paul Manueli forecast the economy would grow three percent next year, angered ethnic Indians by earmarking funds to help indigenous Fijians enter business and upset trade unionists by persisting with labour reforms.

The budget was the first for the government of Prime Minister Sitiveni Rabuka, who in 1987 led two coups against an Indian-led elected government.

Earlier this year the former soldier won the first elections under the new constitution which shuts out Fiji's large Indian population from political power.

Manueli said government expenditure was estimated at 570.5 million U.S. dollars for 1993 while revenue was forecast at 476 million U.S. dollars.

After adjustments for loan repayments, the net deficit next year is expected to reach 2.5 percent of forecast gross domestic product (GDP), he said. The net deficit for 1992 was expected to be 3.4 percent of GDP.

Manueli warned that unless the deficit was controlled, increased interest payments could cut living standards in Fiji.

"If we are serious about private sector led economic growth, we must get back on track for a zero deficit," Manueli said, saying the deficit should be limited to 0.5 percent of GDP.

An opposition MP said he was disappointed there were no special allowances for the Indian community to match the nine million U.S. dollars set aside to help indigenous Fijians enter business.

Fiji Trade Union Congress secretary James Raman expressed anger the government had backflipped on its promise to scrap labour reforms which require ballots for strike action and imposed heavy fines and/or imprisonment for unlawful strikes.

French Polynesia

Chilean President Arrives in Tahiti for Visit

BK0811045092 Hong Kong AFP in English 0416 GMT 8 Nov 92

[Text] Papeete, Nov 8 (AFP) - Chilean President Patricio Aylwin arrived here Saturday for a two-day private visit en route to a tour of several Asian countries, officials said.

Aylwin, who is accompanied by a entourage of 120 people including four ministers, legislators, some 40 business leaders and journalists, is to travel on to Asia after his short stay here.

The delegation is to visit Papua New Guinea, Malaysia, Japan, Hawaii and Mexico and will focus on commercial matters.

Solomon Islands

Australian Maritime Surveillance Flights Suspended

BK0911113392 Melbourne Radio Australia in English 0803 GMT 9 Nov 92

[From the "International Report"]

[Text] Solomon Islands says it has suspended Australian surveillance flights over its water indefinitely. A formal notice of the move is received by the Australian High Commission in Honiara less than 24 hours before an approved flight was to have set out. The Solomon Islands action followed allegations by Prime Minister Solomon Mamaloni of Australian involvement in the cross-border raid by Papua New Guinea troops, which left two Solomon Islanders dead. South Pacific correspondent Jemima Garrett asks (Johnson Hornimai), the chief political correspondent for the newspaper SOLOMONS VOICE, why Mr. Mamaloni has taken this step.

[Begin recording] [Hornimai] It is such a really good question, Jemima. Everybody else here is wondering why the government has taken this step, because I see you might have guessed or you might have wondered that these surveillance, maritime surveillance, flights are very important—especially for Solomon Islands which has a huge 200-mile exclusive economic zone, which it hasn't had any resources at all to look after except for three patrol boats which were supplied by Australia. But the fact of the matter is there were no reasons to given by the government or by the prime minister, for that matter, for suspending these maritime surveillance flights by the Australian air force. But I think, if you have to listen to the news as of lately, Prime Minister Mamaloni hasn't [words indistinct] relationship with Australia hasn't been (?in that court). This is since all this spill-away effect from the Bougainville crisis, all along Mamaloni has been saying that Australia has been assisting Papua New Guinea in the whole thing and that recently this issue over the Australian defense attache, who is based here in Honiara with the High Commission here. And you know, many people were not that really surprised that there is Mamaloni once again getting at the Australians.

[Garrett] Prime Minister Mamaloni was very critical of Australia's defense attache, who made a flight over the Solomon-PNG [Papua New Guinea] border just one day before the border incident in which two Solomon Islanders were killed in the raid. Has there been any evidence from the police inquiry into that, that there was any connection with Australia in that incident?

[Hornilia] Well, the police have come out with the result of the investigation. The fact was that the police said that they were never informed about this flight that the defense attache had taken into the western province just a day or 24 hours before that incident which you have spoken about. But they haven't—there hasn't been anything since.

[Garrett] There have been no official contact between Prime Minister Mamaloni and the Australian diplomatic mission in Honiara since the incident in which the two Solomon Islanders were killed by PNG forces. But there have been quite good relations with other ministers. Is this just something which is of particular concern to Mr. Mamaloni and perhaps not so much so for the rest of the government?

[Hornilia] Ah yes, I can confirm that there has been contacts between the Australian High Commission here and with some of the ministers in the Solomon Islands' Government. As you say, we don't know what Mamaloni has against the Australians. But every time he makes a statement about the Bougainville situation, more recently the letter that he had written to the Island Premier of Papua New Guinea, he had again referred to the Australian involvement in the whole issue that had caused, that led to the Bougainville crisis. So I think, if there is anything then Mamaloni must have some personal things against the Australians, but we don't know what (?to comment). [end recording]